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REPORT ON THE FINANCES.

DECEMBER, 1820.

In obedience to the directions of the "Act supplementary to the act to establish the Treasury Department," the Secretary of the Treasury respectfully submits the following report.

I. OF THE REVENUE.

The nett revenue arising from imports and tonnage, internal duties, direct tax, public lands, postage, and other incidental receipts during the year 1817, amounted to		$24,365,227 34
Viz: Customs, (see statement A)	$17,524,775 15	
Internal duties	2,676,882 77	
Direct tax	1,833,737 04	
Public lands, exclusive of Mississippi stock	2,015,977 00	
Postage, and other incidental receipts	313,855 38	
That which accrued from the same sources during the year 1818 amounted to		26,095,200 65
Viz: Customs, (see statement A)	$21,828,451 48	
Arrears of internal duties	947,946 33	
Arrears of direct tax	263,926 01	
Public lands, exclusive of Mississippi stock	2,464,527 90	
Postage, dividends on bank stock, and other incidental receipts	590,348 93	
And that which accrued from the same sources during the year 1819 amounted to		21,435,700 69
Viz: Customs, (see statement A)	$17,116,702 96	
Arrears of internal duties, (see statement B)	227,444 01	
Arrears of direct tax, (see statement B)	80,850 61	
Public lands, exclusive of Miss'pi stock	3,274,422 78	
Postage, and other incidental receipts	61,280 33	
First instalment from the Bank of the United States, and dividend on the stock in that bank	675,000 00	

It is ascertained that the gross amount of duties on merchandise and tonnage, which accrued during the first three quarters of the present year, exceeds $13,340,000; and the sales of public lands during the first two quarters of the year exceed $1,240,000.

The payments into the Treasury, during the first three quarters of the present year are estimated to amount to		$16,819,637 49
Viz: Customs	$12,378,513 12	
Public lands, exclusive of Mississippi stock	1,124,645 32	

Arrears of internal duties / Arrears of direct tax -	$104,769 20	
Incidental receipts - - -	579,749 14	
Moneys received from loans - -	2,545,431 47	
Repayments - - -	86,529 24	

And the payments into the Treasury during the fourth quarter of the present year, from the same sources, are estimated at - - - - - - -	$3,430,000 00
Making the total amount estimated to be received into the Treasury during the year 1820 - - -	20,249,637 49
Which added to the balance in the Treasury on the 1st day of January last, amounting to - - -	2,076,607 14
Makes the aggregate amount of - - -	$22,326,244 63

The application of this sum for the year 1820 is estimated as follows, viz:

To the 30th of September, the payments have amounted to - - - - - - -		$16,908,413 80	
Viz:			
Civil, diplomatic, and miscellaneous expenses -	$2,078,573 25		
Military service, including fortifications, ordnance, Indian department, revolutionary and military pensions, arming the militia, and arrearages prior to the 1st January, 1817	6,043,068 00		
Naval service, including the permanent appropriation for the increase of the navy	2,946,762 00		
Public debt, including $1,142,879 55, for the redemption of the Mississippi certificates - - - -	5,840,010 55		
During the fourth quarter it is estimated the payments will amount to - -		8,056,000 00	
Viz:			
Civil, diplomatic, and miscellaneous expenses - -	450,000 00		
Military service - -	1,900,000 00		
Naval service - -	806,000 00		
Public debt, to the 1st January, 1821 - - -	4,900,000 00		
Making the aggregate amount of - - - -			24,964,413 80
And leaving on the 1st of January, 1821, a balance against the Treasury, estimated at - - -			$2,638,169 17

II. OF THE PUBLIC DEBT.

The funded debt which was contracted before the year 1812, and which was unredeemed on the 1st of October, 1819, as appears by statement No. 1, amounted to - - - - - - -		$23,668,254 71
And that contracted subsequent to the 1st day of January, 1812, and unredeemed on the 1st day of October, 1819, as appears by the same statement, amounted to - -		68,060,336 29
Making the aggregate amount of - -		$91,728,591 00
Which sum agrees with the amount, as stated in the last annual report as unredeemed on the 1st of October, 1819, excepting the sum of $63 49, which was then short estimated, and which has since been corrected by actual settlement.		
In the fourth quarter of 1819, there was added to the above sum, for Treasury notes brought into the Treasury and cancelled, the following sums, viz:		
In 6 per cent. stock - -	$4,152 18	
In 7 per cent. stock - -	10,525 00	
		14,677 18
Making - -		$91,743,268 18
From which deduct Louisiana six per cent. stock, reimbursed on the 21st of October, 1819 -	$2,601,871 14	
And deferred stock reimbursed between the 1st of October, 1819, and 1st of January, 1820 - - - -	242,063 47	
		2,843,934 61
Making the public debt which was unredeemed on the 1st day of January, 1820, as per statement No. 2, amount to		$88,899,333 57
From the 1st of January to the 30th of September, inclusive, there was, by funding Treasury notes, and issuing three per cent. stock for interest on the old registered debt, added to the public debt, as appears by statement No. 3, the amount of - - - -	$34,550 19	
And by the loan authorized per act of May 15th, 1820 - - - -	2,545,431 47	
		2,579,981 66
Making - -		$91,479,315 23
From which deduct the amount of stock purchased during that period, as per statement No. 3 -	$40 34	
And the estimated reimbursement of deferred stock - - - -	253,752 78	
		253,793 12
Making, on the 1st of October, 1820, as appears by statement No. 3, the sum of - - - - - -		$91,225,522 11
To which add, in the fourth quarter of 1820, on account of the loan of the 15th May, of the same year - - -		454,567 66
Making - -		$91,680,089 77

There will be reimbursed of the principal of the deferred stock, on the 1st January, 1821 - - -	$249,444 16	
Since the 30th September last, the residue of the Louisiana stock has become redeemable, amounting to - - - -	2,216,408 78	
		$2,465,852 94
Which, if discharged before the 1st day of January, 1821, will leave the public debt unredeemed on that day, as estimated - - - - - - - -		$89,214,236 83
The Treasury notes yet in circulation are estimated, as appears by statement No. 5, at - - -		$27,656 00
The whole of the awards made by the commissioners appointed under the several acts of Congress for the indemnification of certain claimants of public lands, (as appears by statement No. 6,) amount to - - - -		$4,282,151 12
Of which there has been received at the General Land Office - - - - - -	$2,439,308 31	
And there was paid at the Treasury, 66 per cent. on $1,731,635 69 - -	1,142,879 55	
		3,582,187 86
Leaving outstanding, on the 30th September, 1820 -		$699,963 26

III. OF THE ESTIMATES OF THE PUBLIC REVENUE AND EXPENDITURES FOR THE YEAR 1821.

In forming an estimate of the receipts into the Treasury for the year 1821, the amount of revenue bonds outstanding on the 30th day of September last, the sum due for public land, the ability and disposition of the community to purchase, and especially the quantity and quality of land intended to be exposed at public auction in the course of the year, present the data upon which the calculation must be made. As a portion of the duties which accrued in the fourth quarter of the present year, and in the first and second quarters of the next, form a part of the receipts into the Treasury for the latter year, the amount received will exceed or fall short of the estimate, by the difference between the duties which actually accrued in those quarters, and are payable within the year, and the amount at which they had been estimated.

The receipts into the Treasury may also considerably exceed or fall short of the sum estimated, in consequence of the issue of a greater or less amount of debentures payable during the year 1821 than had been estimated.

The degree of punctuality with which the revenue bonds are discharged, upon which the estimate is formed, must necessarily affect the amount that will be received into the Treasury.

If the accruing revenue of the present and two succeeding quarters should exceed that of the corresponding quarters of the present and last years; if the amount of the debentures which may be issued and made payable, so as to affect the receipts of the year, should be less than that of the preceding years since the peace, compared with the gross amount of duties secured within those years respectively; and if greater punctuality in the payment of the revenue bonds now outstanding should be observed than during the last mentioned period, the receipts from the customs will exceed the estimates now presented; and they will fall short of it, should all these contingencies be unfavorable, as has been the case during the present year.

The revenue bonds outstanding on the 30th of September last are estimated at 18,770,000 dollars. Of this sum, 3,130,000 dollars are in suit; of which about 1,250,000 dollars will not be collected, on account of the insolvency of the debtors; leaving the amount of bonds outstanding upon which collections are to be made, estimated at 17,520,000 dollars. The amount of duties secured during the 1st, 2d, and 3d quarters of the year 1820, is estimated at 13,350,000 dollars, and that of the whole year may be estimated at 16,500,000. The amount of debentures outstanding on the 30th of September last, and payable during the year 1821, is estimated at $1,162,114 16, which is subject to be increased by the amount issued in the present quarter, and during the whole of the ensuing year, chargeable upon the revenue of that year. The annual average amount of debentures, bounties, and allowances, and expenses of collection, chargeable upon the revenue, has been ascertained to be nearly equal to 15 per cent. of the annual average amount of the duties upon imports and tonnage, which accrued from the year 1815 to the year 1819, inclusive.

If this proportion be applied to the revenue bonds outstanding on the 30th of September last; and if the receipts from the tonnage of vessels and upon duties secured during the present and the two succeeding quarters, are assumed to be equal to any deficiency resulting from the want of punctuality in the discharge of the outstanding bonds, the receipts into the Treasury for the year 1821, from this source of revenue, may be estimated at 14,000,000 dollars.

The receipts into the Treasury from the public land during the first three quarters of the present year are estimated at $1,124,645 32, and those of the entire year will probably not much exceed 1,600,000 dollars.

The receipts from that source during the year 1821 will probably not exceed those of the present year, if no incentive to greater punctuality, or inducement to make prompt payment, should be presented to the public debtor, in the course of the present session of Congress.

The balances of internal duties and direct tax still outstanding, are so considerable as to justify an estimate of some extent, in calculating the receipts of the ensuing year, if the difficulty of enforcing payment in those States where the largest amount is due were not known to be great. Under these circumstances, the receipts from that source, for the ensuing year are estimated at 100,000 dollars.

According to the foregoing data, the receipts into the Treasury for the ensuing year may be estimated as follows, viz:

Customs - - - -	$14,000,000 00	
Public lands, exclusive of Mississippi stock	1,600,000 00	
Arrears of internal duties, direct tax, and incidental receipts - - - -	100,000 00	
Third instalment from the Bank of the United States - - - -	500,000 00	
Bank dividends, which will accrue during the year, estimated at 5 per cent. - -	350,000 00	
Making the aggregate amount of - - -		$16,550,000 00

The appropriations for the same period are estimated as follows, viz:

1st. Civil, diplomatic, and miscellaneous	$1,769,850 04	
2d. Military department, including fortifications, ordnance, Indian department, military pensions, and arrearages prior to the 1st January, 1817 - - - -	4,585,352 61	
3d. Naval department - - -	2,420,594 56	
Making an aggregate of - - - - - -		$8,775,797 21

But to determine the amount of the charge upon the Treasury for the service of that year, the following additions must be made, viz:

1st. Civil, diplomatic, and miscellaneous, the sum of $1,500,000, being an amount of appropriations for the present and preceding years unexpended, and which may be expended during the year 1821; and the sum of $5,477,770 76, payable on account of the interest and reimbursement of the principal of the public debt during that year.

2d. The unexpended balances of appropriations for the War Department, under the different heads already enumerated, and which have been deducted from the estimates, or not included in them, (as in the case of revolutionary pensions, because the balance of that appropriation is estimated to be equal to the expenditure on that object during the year,) amounting together to $2,507,267 63.

The annual appropriation of $200,000 for arming the militia, and the Indian annuities not embraced by the estimates, amounting to $152,575.

3d. The annual appropriation of $1,000,000, for the gradual increase of the navy, which will expire in the year 1823; and an unexpended balance on the same account, which may be expended in 1821, of $1,750,000.

According to the foregoing data, the expenditure of the year 1821, and which is chargeable upon the Treasury during that year, may be estimated as follows, viz:

1st. Civil, diplomatic, and miscellaneous - - - - - -	$3,269,850 04	
2d. Public debt - - - -	5,477,777 76	
3d. Military department, including fortifications, ordnance, Indian department, military and revolutionary pensions, arrears prior to the 1st of Jan'y, 1817, and arming the militia, and Indian annuities,	7,445,195 24	
4th. Navy Department, including the sum of $1,000,000 for the gradual increase of the navy - - - -	5,170,594 56	
Making an aggregate charge upon the Treasury, for the year 1821, of - - - - - - - -		$21,363,417 60
To which add the balance against the Treasury on the 1st January, 1821 - - - - - - - -		2,638,169 17
Making - - - - - - - -		$24,001,586 77

Leaving a balance of $7,451,586 77, beyond the estimated means, for which provision must be made.

To determine whether a deficiency to this or any other amount will occur in succeeding years, is extremely difficult. The data furnished by the fiscal operations of the Government, since the peace, must be principally relied upon, in making the calculation necessary to arrive at any general result upon this subject.

It has been ascertained that the nett revenue which has accrued from imports and tonnage, from the year 1815 to 1819, inclusive, has amounted to $120,260,052 46. If this be divided by the number of years in which it accrued, the result will be an annual average revenue of $24,052,000. But the revenue which accrued in 1815 greatly exceeded, not only that of any year previous to the war, but that of any year since that epoch. It is also admitted that the quantity of produce on hand at the close of the war, especially of cotton and tobacco, considerably exceeded the amount of the crop of those articles made during the preceding year. The ability of the community, therefore, to purchase an increased amount of foreign articles, in the year 1815, exceeded in a corresponding degree that of subsequent years. It has also been ascertained that the importation of foreign articles, during the present year, has been considerably less than in any year since the peace. To form an estimate of the average annual revenue which may accrue from imports and tonnage, during the next four years, that will approximate towards accuracy, it will be necessary to embrace in the calculation the revenue which accrued from the year 1814 to 1819, inclusive, amounting to $124,510,414 05, and that which shall have accrued in the year 1820, estimated at $14,000,000; making the aggregate sum of $138,510,414 05, which gives the sum of $19,787,202, as the annual average revenue for those seven years.

Other views, derived from the fiscal operations of the Government, will be found to accord with this result. The average product of the duties upon imports and tonnage, which accrued from the year 1801 to 1807, inclusive, may be stated at $13,640,000; and that which accrued from the former period to 1813, inclusive, amounted to the annual sum of $11,570,000. The increase of population in the United States has been estimated at 34 per cent. in ten years. If the increase of consumption has corresponded with that of population, the revenue of the year 1820, according to the result furnished by the first seven years, would exceed $20,000,000, and would fall but little short of $17,000,000, according to the data furnished by the whole period. During the former period, the principal States of Europe were involved in wars, which not only gave to our shipping the principal part of the carrying trade, but created an unusual demand for every article of exportation, and greatly enhanced their value. Any estimate founded upon the average revenue of those years, the duties upon imports remaining the same, would, most probably, not be realized; but as these duties were considerably increased in 1816, the objections to such an estimate are, in some degree, diminished. From the year 1808 to 1813 inclusive, the United States were engaged in a state of commercial or actual warfare. The disadvantages to which their commerce was subjected by that warfare more than counterbalance the peculiar advantages it enjoyed in the seven years immediately preceding. An estimate for the next four years, founded upon an average of the whole term, would more probably fall short of than exceed the sum which would be received into the Treasury, notwithstanding the duties were higher during two years of that term than at present.

In the investigation of a subject of such complexity, affecting so deeply the interest of the community, every fact and circumstance connected with it ought to be considered. Since the year 1807, new interests have arisen, which claim a prominent place in this consideration. From time immemorial, household manufactures have existed in every part of the United States. The mechanical arts—those branches of manufacture without which society, even in a very imperfect state of civilization, could not exist, though differing in some degree from those properly denominated household—have long existed in the United States. Since the year 1807, those branches of manufacture have been greatly extended and improved. Others have been established; and a large amount of capital has been invested in manufacturing establishments, which promise to furnish, in a short time, an ample supply of cotton and woollen manufactures, and most of those of iron, glass, and various other articles of great value.

As commerce has properly been defined to be an exchange of equivalent value, it is probable that the failure, on our part, to receive from foreign nations the accustomed supply of those articles which can now be produced in our domestic establishments, the articles which they have been accustomed to receive from us will lose something of the value which they would otherwise have commanded, until new channels of intercourse shall be discovered, and different articles of merchandise shall be substituted for those formerly received.

The capacity of a nation to consume foreign articles depends upon the value of its exports, and not upon its ability to furnish every article of primary or secondary necessity. The precious metals are never imported into any country, when commodities which will command a profit can be obtained for importation. Giving full weight to the fact that cotton, woollen, iron, and various other articles which are now furnished by our domestic establishments, will be hereafter received from foreign nations only to a small amount, $17,000,000 of revenue may be assumed as the minimum, and $20,000,000 as the maximum, which will be annually received from imports and tonnage during the next four years. The decrease which has occurred in the revenue, in the last and present years, furnishes no ground to distrust the correctness of the foregoing conclusion. The customs produced, in 1815, a nett revenue of $36,306,022 51; in 1816, $27,484,100 36; and in 1817, $17,524,775 15. This last year was considered, at the time, as the period of greatest reaction; accordingly, in 1818, the nett revenue from the customs amounted to $21,828,451 48.

The multiplication of banks, the state of the currency, and the high price which all exportable articles commanded, until the end of 1818, strongly invited to extravagance of every kind, and particularly in the consumption of foreign merchandise. The resources of individuals had been, by these seductions, in a great degree anticipated, during the first years which succeeded the peace. The sudden reduction in the value of all exportable articles, which occurred about the commencement of the year 1819, not only prevented in a great degree further purchases, but rendered the discharge of engagements previously contracted impracticable. The pressure thus produced upon the community reacted upon the venders of every species of merchandise, whether foreign or domestic; who, without thoroughly investigating the cause of their distress, have sought for relief in measures calculated rather to aggravate than alleviate the public embarrassment.

The issue and payment of a larger amount of debentures, in the present year, in proportion to the exportations of the last; the increased amount of specie, and diminished amount of foreign merchandise imported during the present year; and the ready sale of foreign and domestic articles now in the market, show that the importation of foreign goods is upon the eve of being regulated by the demand for them for consumption.

It has been stated that the receipts from the public land, during the year 1821, cannot be estimated at more than $1,600,000, unless some greater incentive to punctuality, or inducement to make prompt payments, should be offered by the measures which may be adopted in the course of the present session of Congress. The act of the 24th of April last, which abolished credit on all purchases of land, and reduced the minimum price from 200 to 125 cents per acre, furnishes, it is respectfully conceived, equitable ground for legislative interference in favor of purchasers under the ancient system. By that system, the price could be reduced to 164 cents an acre, by prompt payment. If the act abolishing credit had fixed the minimum price at 164 cents, instead of 125 cents, no equitable ground for legislative interference would exist. It is not contended that the vender of an article, under ordinary circumstances, does an injury to a purchaser by subsequently selling the same article to others at a lower rate. But if he has in his possession such a quantity of the article sold, as to enable him, for an indefinite time, to determine the price of the article, he affects the interest of every previous purchaser by such reduction, who may be constrained, from any cause whatever, to sell that article. The extent of the national domain will, for ages, enable the Government to determine the price of unimproved land similarly situated. It is admitted that the Government has been induced to adopt this measure by the most grave considerations. The most prominent of these was the necessity of preventing the further increase of a debt, then about $22,000,000, strongly affecting the interests and feelings of a great number of citizens. If its increase was an object of deep solicitude, its diminution, by an act of grace, founded upon equitable principles, will be in strict accordance with the motives in which that measure originated. Difficulties may occur in adjusting the details of such a measure, unless it be presented as a simple act of grace. Under this point of view, it should be confined in its operation to the debtors of the Government for public lands, and should affect them only to the extent of the debts which they may respectively owe.

During the excessive circulation of bank notes not convertible into specie, and to which the Government, from necessity, for some time gave currency, and the high price which every description of domestic produce commanded, large quantities of public land were sold at public auction, at prices greatly beyond their real value. In many instances, the first payment which the Government has received cannot be obtained by the purchaser, if he was able to convey the title in fee simple. The propriety of legislative interference to change the relation between debtor and creditor, for the benefit of either, may well be questioned. Circumstances, however, may arise, which will influence an upright and benevolent creditor to relax his demands, and to grant relief to his debtor voluntarily, which he might resist as an act of power. Such is respectfully conceived to be the situation of the Government in relation to the purchasers of public lands, who, in a moment of infatuation, have engaged to pay for a portion of the national domain a sum greatly beyond its value, and which never will be paid.

In all cases of this kind, the forfeiture of the sum already advanced will inevitably occur, if relief, to some extent, is not granted.

In conformity with the foregoing views, the following propositions for the relief of the purchasers of public lands, and for the purpose of increasing the payments into the Treasury in the ensuing year, are respectfully submitted, viz:

1st. That every purchaser of public land be permitted, on or before the 30th of September next, to abandon any legal subdivision of his purchase; and that the payments made upon the part abandoned be applied to the discharge of the instalments due upon the remainder; the right to abandon in no case to involve any repayment by the Government to any purchaser. In all cases, the part retained to be in the most compact form that the situation of the whole quantity purchased will permit.

2d. The difference between the former and present minimum price, for cash payments, being equal to 23.78 per cent. on the former, it is respectfully proposed that, on payment of the whole purchase money for any tract of land, on or before the 30th day of September next, a deduction of 25 per cent. shall be made; and that any interest which may have accrued to the United States, in such cases, be remitted. An act of greater liberality, and which would still further increase the receipts into the Treasury, during the next year, would be to allow a deduction of 37½ per cent. on all such payments; which is equal to the difference between 200 and 125 cents.

3d. That all sums which may be due by purchasers of public lands who shall not avail themselves of the preceding conditions, shall be payable in ten equal annual instalments, without interest; provided such payments shall be punctually made upon the several days in each successive year upon which the purchases were respectively made. And failure in making such payment to revive the original terms and conditions of sale.

If these or analogous provisions should be adopted, the payments from the public lands, during the year 1821, will be greatly increased; the debt due on that account greatly diminished; and the revenue resulting from that source acquire, in future years, a more uniform character.

If, then, it be assumed that the revenue which will accrue from the customs will be equal to the mean sum between seventeen millions and twenty millions of dollars, the annual revenue for the four succeeding years may be estimated as follows, viz:

Customs - - - - - - -	$18,500,000 00
Public land - - - - - - -	2,500,000 00
Bank dividends, at 6 per cent. - - -	420,000 00
Incidental receipts - - - - - -	80,000 00
Making an aggregate amount of - -	$21,500,000 00

But if the annual receipts from the customs shall be estimated for the next four years at the average sum of $17,000,000, the annual revenue for that period will be equal to $20,000,000.

The annual expenditure for the same period may be estimated as follows, viz:

Civil, diplomatic, and miscellaneous - -	$2,000,000 00
Public debt - - - - - - -	5,477,000 00
War Department, including fortifications, ordnance, Indian department, military and revolutionary	

pensions, arming the militia, and arrears prior to the 1st of January, 1817	$5,850,000 00
Naval department, including $1,000,000 for the permanent increase of the navy	3,420,000 00
Making the aggregate amount of	$16,747,000 00

The balance of the sinking fund, after paying the interest of the funded debt, and providing for the annual reimbursement of the six per cent. deferred stock, has not, in this estimate, been considered as a charge upon the Treasury before the year 1825, as the price of the public stocks preclude the possibility of purchase within the rates prescribed by law.

This estimate is below that which is required for the year 1821; but it is not believed to be less than the annual expenditure which will be required for the next four years. According to this estimate, the means will exceed the indispensable expenditure during that period $3,253,000.

After the year 1823, the annual expenditure upon the navy will be diminished by $1,000,000.

The expenditure of the Government after that year, including the entire appropriation for the public debt, is estimated as follows, viz:

Civil, diplomatic, and miscellaneous	$2,000,000 00
Public debt	10,000,000 00
Military department, including fortifications, ordnance, Indian department, military and revolutionary pensions, arming the militia, and arrearages prior to the 1st of January, 1817	5,850,000 00
Naval department	2,420,000 00
Making the aggregate amount of	$20,270,000 00

Which, after the year 1824, would leave an annual deficit of $270,000.

If this sum should not be met by the annual increase of revenue, resulting from the increase of population during those and succeeding years, and the increased consumption of foreign articles resulting therefrom, it may be supplied by a corresponding reduction in those items of expenditure which depend absolutely upon the will of the Legislature, unconnected with the existing laws regulating the permanent expenditure.

It is, therefore, respectfully submitted that it is inexpedient to resort, at this time, to the imposition of additional taxes upon the community.

The condition of the currency in several of the States of the Union furnishes strong inducements to abstain from additional taxation at this time. The obligation of the Government to receive the notes of the Bank of the United States, without reference to the place where they are payable, has given to them their universal currency. All notes issued south and west of this, (Washington,) have, in consequence of the state of exchange between those places and the commercial cities to the east of this place, centred in those cities. The bank has, consequently, found itself constrained to direct those branches to refuse to issue their notes, even upon a deposite of specie. The effect of these causes combined has been the exclusion from circulation, in all States west and south of the seat of Government, of the notes of the Bank of the United States and its offices. In several of those States there is no sound paper circulation. To resort to internal taxation, under such circumstances, would be to require of the citizens of those States what will be impossible for them to perform. Wherever paper circulates as money, which is not convertible into specie, it circulates to the exclusion of specie, and of paper which is convertible into gold and silver coin. In all such places, the payment of direct or internal taxes in specie, or in the notes of the Bank of the United States, will be impracticable. Preliminary to a resort to internal taxation of any kind, the charter of the Bank of the United States ought to be amended so as to make the bills of all the offices of the bank, except that at the seat of Government, receivable only in the States where they are made payable, and in the States and Territories where no office is established.

The effect of this modification will be, to make the notes of the offices of the bank, except the office in this District, a local currency, which will enter and continue in the local circulation of the States in which they are issued.

The notes thus issued will render the local circulation of all the States sound, and furnish to the citizens the means of discharging their contributions to the Government. This measure will also place the State institutions, to the south and west of this city, in a more eligible situation, in relation to the offices of the Bank of the United States, by enabling them to adjust their accounts with these offices by the exchange of notes, instead of liquidating their balances by the payment of specie.

Should it, however, be judged expedient by the Legislature to lay additional burdens upon the people, for the purpose of meeting the existing or any probable future deficiency, it is respectfully submitted that the importation of foreign spirits be prohibited, and that a duty upon domestic spirits, equal to the amount of that now collected upon foreign spirits, and to such deficiency, be imposed on the distillation and sale of domestic spirits.

In any event, a resort to loans, to the extent of the deficiency of the year 1821, will be indispensable.

Of the sum of $3,000,000, authorized by the act of the 15th of May last, to be raised by loan, $2,000,000 have been obtained at a premium of two per cent. upon stock bearing interest at the rate of six per cent. per annum, redeemable at the will of the Government; and $1,000,000 at par, upon stock bearing interest at the rate of five per cent. per annum, redeemable at any time after the 1st day of January, 1832. There is no just reason to doubt that any sum which may be necessary to be raised by loan, can be obtained upon terms not less favorable; but as it is probable that the surplus of the revenue, after satisfying all the demands upon the Treasury, authorized by existing loans, during the years 1822, 1823, and 1824, will be equal to the redemption of any debt which may be contracted in 1821, it is respectfully submitted that the President of the United States be authorized to borrow, from the Bank of the United States, or from other banks, or individuals, the sum which may be necessary for the service of that year, at par, and at a rate of interest not exceeding six per cent. per annum, redeemable at the will of the Government.

All which is respectfully submitted.

WM. H. CRAWFORD.

TREASURY DEPARTMENT, *December* 1, 1820.

A.

A STATEMENT showing the amount of duties which accrued on merchandise, tonnage, passports, and clearances; of debentures issued on the exportation of foreign merchandise; of payments for bounties and allowances; and of expenses of collection, during the years 1817, 1818, *and* 1819.

Years.	Duties on			Debentures issued.	Bounties and allowances.	Gross revenue.	Expenses of collection.	Nett revenue.
	Merchandise.	Tonnage.	Passports, &c.					
1817	$21,995,642 12	$323,005 45	$12,608 00	$3,937,323 35	$124,346 41	$18,269,585 81	$744,810 66	$17,524,775 15
1818	25,798,490 79	260,878 81	14,030 00	3,343,938 08	154,587 89	22,574,873 63	746,422 15	21,828,451 48
1819	21,228,683 28	131,217 51	8,640 00	3,301,812 42	167,100 01	17,899,628 36	782,925 40	17,116,702 96

A STATEMENT showing the amount of American and foreign tonnage employed in foreign trade during the years 1817, 1818, *and* 1819, *as taken from the records of the Treasury.*

Years.	American tonnage in foreign trade.	Foreign tonnage in foreign trade.	Total amount of tonnage.	Proportion of foreign tonnage to the whole amount of tonnage employed in the foreign trade of the United States.
	Tons.	*Tons.*	*Tons.*	*Tons.*
1817 - - - - - - -	780,136	212,420	992,556	24.4 to 100
1818 - - - - - - -	755,101	161,413	916,514	17.6 to 100
1819 - - - - - - -	783,579	85,554	869,133	9.8 to 100

STATEMENT A—Continued.

A STATEMENT exhibiting the value and quantities, respectively, of merchandise on which duties actually accrued during the year 1819, *(consisting of the difference between articles paying duty, imported, and those entitled to drawback, re-exported;) and, also, of the nett revenue which accrued, that year, from duties on merchandise, tonnage, passports, and clearances.*

MERCHANDISE PAYING DUTIES AD VALOREM.				
$1,679,284	at 7½ per cent.		$125,946 28	
13,971,593	15 do.		2,095,738 95	
5,979,736	20 do.		1,195,947 23	
16,355,698	25 do.		4,088,924 43	
11,215	27½ do.		3,084 12	
1,882,399	30 do.		564,719 79	
5,542	32½ do.		1,801 05	
				$8,076,161 85
39,885,467				
1. Wines,	1,255,266 gallons,	at 40.37 cents, average,	506,836 60	
2. Spirits,	4,477,628 do.	43.75 do.	1,959,125 12	
Molasses,	11,910,729 do.	5	595,536 45	
3. Teas,	5,480,884 pounds,	31.70 do.	1,737,450 09	
Coffee,	20,825,869 do.	5	1,041,293 45	
4. Sugar,	71,665,401 do.	3.04 do.	2,181,703 29	
5. Salt,	2,975,862 bushels,	20	595,172 40	
6. All other articles			1,014,621 29	
				9,631,738 69
				17,707,900 54
Deduct duties refunded, after deducting therefrom duties on merchandise, the particulars of which could not be ascertained, and difference in calculation				112,992 25
				17,594,908 29
Two and a half per cent. retained on drawback			$92,711 77	
Extra duty of ten per cent. on merchandise imported in foreign vessels			50,505 22	
Interest and storage			21,645 57	
				164,862 56
Nett amount of duties on merchandise				17,759,770 85
Duties on tonnage			109,782 95	
Light money			21,434 56	
				131,217 51
Passports and clearances				8,640 00
Gross revenue				17,899,628 36
Deduct expenses of collection				782,925 40
Nett revenue, per statement A				17,116,702 96

Explanatory Statements and Notes.

1. Wines—					
Madeira - - -	188,267	gallons, at	100	cents -	$188,267
Burgundy, Champagne, &c.	5,797	do.	100	do. -	5,797 00
Claret, in bottles - -	21,761	do.	70	do. -	15,232 70
Claret, in bottles - -	23,503	do.	30	do. -	7,050 90
Sherry and St. Lucar, &c. -	21,468	do.	60	do. -	12,880 80
Lisbon, Oporto, &c. -	128,494	do.	50	do. -	64,247 00
Teneriffe, Fayal, &c. -	278,318	do.	40	do. -	111,327 20
All other - - -	138,853	do.	25	do. -	34,713 25
All other - - -	448,805	do.	15	do. -	67,320 75
	1,255,266	do. -	-	- -	506,836 60
2. Spirits—					
Grain, 1st proof - -	483,032	gallons, at	42	cents -	202,873 44
2d do. - -	42,377	do.	45	do. -	19,066 05
4th do. - -	5,714	do.	52	do. -	2,971 28
5th do. - -	5,907	do.	60	do. -	3,544 20
Other, 1st & 2d do. - -	644,685	do.	38	do. -	244,980 30
3d do. - -	1,623,434	do.	42	do. -	681,842 28
4th do. - -	1,663,986	do.	48	do. -	798,713 28
5th do. - -	6,237	do.	57	do. -	3,555 09
Above 5th do. - -	2,256	do.	70	do. -	1,579 20
	4,477,628	do. -	-	- -	1,959,125 12
3. Teas—					
Bohea - - -	261,700	pounds, at	12	cents -	31,404 00
Souchong - - -	1,382,633	do.	25	do. -	345,658 25
Imperial - - -	235,089	do.	50	do. -	117,544 50
Hyson and young hyson -	1,958,067	do.	40	do. -	783,226 80
Hyson skin and other green	1,646,231	do.	28	do. -	460,944 68
	5,483,720	do. -	-	- -	1,738,778 23
Deduct exportation over importation—hyson -	2,836	do.	56	do. -	1,588 16
	5,480,884	do. -	-	- -	1,737,190 07
Add extra duty on teas imported from other places than China - -	-	-	-	- -	260 02
	5,480,884	do. -	-	- -	1,737,450 09
4. Sugar—					
Brown - - -	68,491,275	pounds, at	3	cents -	2,054,738 25
White - - -	3,174,126	do.	4	do. -	126,965 04
	71,665,401	do. -	-	- -	2,181,703 27
5. Salt—					
Imported, bushels	-	3,823,410 at	20	cents -	764,682 00
Exported - - -	12,048				
Bounties and allowances reduced into bushels -	835,500				
		847,548 at	20	cents -	169,509 60
		2,975,862	-	- -	595,172 40

Explanatory Statements and Notes—Continued.

6. All other articles, viz:		Quantity.	Rate of duty.	Duty.
			Cents.	
Duck, Russia	pieces	15,531	200	$31,062 00
Ravens	do.	13,051	125	16,313 75
Holland	do.	1,555	160	3,887 50
Sheeting, brown Russia	do.	3,861	250	6,177 60
white do.	do.	175	250	437 50
Beer, ale, and porter, in bottles	gallons	136,671	15	20,500 65
in casks	do.	15,552	10	1,555 20
Oil, spermaceti	do.	3	25	75
whale and other fish	do.	1,114	15	167 10
olive	do.	16,796	25	4,199 00
Cocoa	pounds	643,315	2	12,866 30
Chocolate	do.	4,053	3	121 59
Sugar, candy	do.	3,206	12	384 72
loaf	do.	2,082	12	249 84
other refined, and lump	do.	956	10	95 60
Almonds	do.	634,561	3	19,036 83
Fruits, currants	do.	167,488	3	5,024 64
prunes and plums	do.	323,401	3	9,702 03
figs	do.	319,671	3	9,590 13
raisins, muscatel	do.	912,358	3	27,370 74
other	do.	1,625,448	2	32,508 96
Candles, tallow	do.	4,186	3	125 58
wax, or spermaceti	do.	441	6	26 46
Cheese	do.	79,423	9	7,148 07
Soap	do.	144,888	3	4,346 64
Tallow	do.	362,368	1	3,623 68
Spice, mace	do.	7,232	100	7,232 00
nutmegs	do.	30,516	60	18,309 60
cinnamon	do.	4,338	25	1,084 50
cloves	do.	21,907	25	5,476 75
pepper	do.	591,442	8	47,315 36
pimento	do.	233,720	6	14,023 20
cassia	do.	250,871	6	15,052 26
Tobacco, manufactured, other than snuff, &c.	do.	3,297	10	329 70
Snuff	do.	55,292	12	6,635 04
Indigo	do.	313,958	15	47,093 65
Gunpowder	do.	10,515	8	841 20
Bristles	do.	42,430	3	1,272 90
Glue	do.	45,920	5	2,296 00
Paints, ochre, dry	do.	378,349	1	3,783 49
ochre, in oil	do.	51,758	1½	776 37
white and red lead	do.	1,624,172	3	48,725 16
white and red lead	do.	25	2	50
whiting, and Paris white	do.	139,507	1	1,395 07
Lead, bar and sheet	do.	770,742	1	7,707 42
manufactures of, and shot	do.	1,112,179	2	22,243 48
Cordage, tarred, and cables	do.	14,430	3	432 90
untarred, and yarn	do.	48,637	4	1,945 48
twine, seines, &c.	do.	377,495	4	15,099 80
Copper, rods and bolts	do.	71,859	4	2,874 36
nails and spikes	do.	19,186	4	767 44
Wire, iron and steel, not above No. 18	do.	297,032	5	14,851 60
iron and steel, above No. 18	do.	12,445	9	1,120 05
Iron tacks, brads, &c. not above 16 oz. per M.	do.	19,381	5	969 05
tacks, brads, &c. above 16 oz.	do.	1,752	4	70 08
nails	do.	364,563	4	14,582 52
spikes	do.	165,026	3	4,950 78
spikes	do.	653	2	13 06
anchors	do.	205,370	2	4,107 40

Explanatory Statements and Notes—Continued.

6. All other articles—continued.		Quantity.	Rate of duty.	Duty.
			Cents.	
Iron, pig	cwt.	6,634	50	$3,317 00
castings	do.	19,099	75	14,324 25
bar and bolt, rolled	do.	51,290	150	76,935 00
hammered	do.	324,832	75	243,624 00
do.	do.	111	45	49 95
sheet, rod, and hoop	do.	18,315	250	45,787 50
Steel	do.	8,461	100	8,461 00
Hemp	do.	51,157	150	76,735 50
Alum	do.	2,561	200	5,121 87
Copperas	do.	21	100	21 00
Coal	bushels	787,077	5	39,353 85
Fish, dried or smoked	quintals	586	100	586 00
salmon, pickled	barrels	1,606	200	3,212 00
mackerel	do.	1,169	150	1,753 50
other	do.	283	100	283 00
Glass, bottles, black quart	gross	13,184	144	18,984 96
window, not above 8 by 10	100 sq. ft.	5,576	250	13,940 00
10 by 12	do.	2,993	275	8,231 75
above 10 by 12	do.	3,842	325	12,486 50
Boots	pairs	1,569	150	2,353 50
Shoes and slippers, silk	do.	4,653	30	1,395 90
leather, men's, &c.	do.	31,106	25	7,776 50
children's	do.	8,432	15	1,264 80
Segars	M.	11,451	250	28,627 50
Cards	packs	5,425	30	1,627 50
				1,146,137 36
Deduct excess of exportations over importations, viz:				
On cotton, 4,382,757 pounds, at 3 cents		$131,482 71		
nails, 1,112 pounds, at 3 cents		33 36		
				131,516 07
				$1,014,621 29

TREASURY DEPARTMENT,
Register's Office, November 11, 1820.

JOSEPH NOURSE, *Register.*

B.

STATEMENT of moneys received into the Treasury, from internal duties and other objects, during the year 1819.

From arrears of internal duties, (new) - - -		$227,444 01
new direct tax - - - -		80,850 61
old internal duties - -	$2,149 62	
old direct tax - -	2,800 17	
postages of letters - - -	71 32	
fees on letters patent - - -	3,060 00	
cents and half cents coined at the mint	38,535 00	
fines, penalties, and forfeitures - -	2,120 89	
nett proceeds of prizes captured by public armed vessels - - -	8 52	
sale of vessels on Lake Champlain -	7,601 00	
surplus proceeds of property sold for direct tax of 1815 - - -	125 40	
surplus proceeds of property sold for direct tax of 1816 - - -	2,558 58	
interest on balances due by banks to the United States - - - -	2,249 83	
		61,280 33
first instalment payable by the Bank of the United States - - - - - -		500,000 00
dividend on stock in the Bank of the United States		175,000 00
		$1,044,574 95

TREASURY DEPARTMENT,
Register's Office, *November* 30, 1820.

JOSEPH NOURSE, *Register.*

No. 1.

STATEMENT of the debt of the United States, 1st October, 1819.

Deferred six per cent. stock, (unredeemed amount) - - - - -	$2,805,084 36	
Three per cent. do. - -	13,295,915 44	
Louisiana six per cent. do. - -	4,818,279 92	
Six per cent. of 1796 do. - -	80,000 00	
Exchanged 6 per cent. do. - -	2,668,974 99	
		$23,668,254 71
Six per cent. stock of 1812, (loan of 11 millions) - - - -	6,187,006 84	
Six per cent. stock of 1813, (loan of 16 millions) - - - -	15,521,136 45	
Six per cent. stock of 1813, (loan of 7½ millions) - - -	6,836,232 39	
Six per cent. stock of 1814, (loan of 25 and 3 millions) - - -	13,011,437 63	
Six per cent. stock of 1815, (loan of $18,452,800) - - - - -	9,490,099 10	
Treasury note six per cent. stock -	1,419,125 61	
Treasury note seven per cent. stock -	8,595,298 27	
Five per cent. stock, (subscription to Bank United States) - - -	7,000,000 00	
		68,060,336 29
	Amount, 1st October, 1819,	$91,728,591 00

TREASURY DEPARTMENT,
Register's Office, November 10, 1820.

JOSEPH NOURSE, *Register.*

No. 2.

STATEMENT of the debt of the United States, on the 1st of January, 1820.

Deferred six per cent. stock, (unredeemed amount) - - - - -	$2,563,020 89	
Three per cent stock - - - -	13,295,915 44	
Louisiana six per cent. stock - -	2,216,408 78	
Six per cent. stock of 1796 - -	80,000 00	
Exchanged six per cent. stock of 1812 -	2,668,974 99	
		$20,824,320 10
Six per cent. stock of 1812, loan of 11 millions - - - - -	6,187,006 84	
Six per cent. stock of 1813, loan of 16 millions - - - -	15,521,136 45	
Six per cent. stock of 1813, loan of 7½ millions - - - - -	6,836,232 39	
Six per cent. stock of 1814, loan of 25 and 3 millions - - -	13,011,437 63	
Six per cent. stock of 1815 - -	9,490,099 10	
Treasury note six per cent. stock -	1,424,471 79	
Treasury note seven per cent. stock -	8,604,629 27	
Five per cent. stock, (subscription to Bank United States) - - -	7,000,000 00	
		68,075,013 47
Amount, 1st January, 1820 -		$88,899,333 57
Unredeemed amount, 1st January, 1819 - -		92,648,177 35
Add stock issued in 1819: Viz.		
Three per cent. stock - - -	$304 68	
Treasury note six per cent. stock, (see *a*, No. 2 *a*) - - - - -	37,348 09	
Treasury note seven per cent. stock, (see *b*, No. 2 *a*) - - - -	13,160 00	
		50,812 77
		$92,698,990 12
Deduct stock purchased and reimbursed in 1819. Purchased as per statement No. 4, accompanying the report of the 10th December, 1819 - -	711,957 55	
Reimbursed Louisiana stock on the 21st October, 1819 - - -	2,601,871 14	
Deferred stock in 1819 - - -	485,827 86	
		3,799,656 55
As above, 1st January, 1820		$88,899,333 57

TREASURY DEPARTMENT,
Register's Office, November 10, 1820.

JOSEPH NOURSE, *Register.*

No. 2 *a*.

STATEMENT exhibiting the total amount of the six and seven per cent. Treasury note stocks, issued to the 31*st December,* 1819.

At what office issued.	Six per cent.	Seven per cent.
Treasury	57,938 52	201,557 00
New Hampshire	63,110 13	121,731 00
Massachusetts	504,859 82	3,041,492 00
Rhode Island	11,628 78	163,122 00
Connecticut	-	79,499 00
New York	359,744 36	4,726,989 00
Pennsylvania	-	701,447 00
Delaware	940 00	
Maryland	47,988 56	17,140 00
Virginia	-	1,866 00
North Carolina	8,756 92	1,180 00
South Carolina	286,306 92	8,166 00
Georgia	107,517 43	3,880 00
	1,448,791 44	9,068,069 00
Deduct so much thereof included in the statement of the funded debt to 1st January, 1819	1,411,443 35	9,054,909 00
	a $37,348 09	*b* $13,160 00

Treasury Department,
Register's Office, November 10, 1820.

JOSEPH NOURSE, *Register*.

No. 3.

ESTIMATE of the funded debt of the United States, 1st October, 1820.

Deferred stock, (unredeemed amount)		$2,309,258 25	
Three per cent. - - -		13,295,946 44	
Louisiana - - - -		2,216,408 78	
Six per cent. of 1796 - -		80,000 00	
Exchanged six per cent. of 1812 -		2,668,974 99	
			$20,570,588 46
Six per cent. of 1812, (loan of 11 millions)		$6,187,006 84	
Six per cent. of 1813, 16 do. -		15,521,136 45	
Six per cent. of 1813, 7½ do. -		6,836,232 39	
Six per cent. of 1814, 25 & 3 do. -		13,011,437 63	
Six per cent. of 1815, - -		9,490,099 10	
Treasury note six per cent. - -		1,458,473 50	
Treasury note seven per cent. -		8,605,116 27	
Five per cent stock, (subscription to Bank of United States) - -		7,000,000 00	
Six per cent. stock of 1820 - -		2,000,000 00	
Five per cent. stock of 1820 - -		1,000,000 00	
			71,109,502 18
			$91,680,090 64
Amount as stated 1st January 1820 - -			$88,899,333 57
Add stock issued in the first three quarters of 1820:			
Three per cent. stock, for interest on old registered debt - - - -		$61 48	
Treasury note six per cent. stock - -		34,001 71	
Treasury note seven per cent. stock -		487 00	
		$34,550 19	
Loan, per act of 15th May, 1820, whereof at six per ct.	$2,000,000 00		
At five per cent. -	545,431 47		
		2,545,431 47	
			2,579,981 66
			$91,479,315 23
Deduct reimbursement of deferred stock		$253,752 78	
stock purchased, (*a*) -		40 34	
			253,793 12
As above, 1st October, 1820 - - - -			$91,225,522 11
Add residue of loan of 15th May, 1820, at five per cent.			454,567 66
			$91,680,089 77

Deduct stock reimbursable in the fourth quarter of 1820:

Residue of Louisiana six per cent., 21st October, 1820 - - -	$2,216,408 78	
Reimbursement of deferred stock - -	249,444 16	
		$2,465,852 94
Amount, 1st January, 1821		$89,214,236 83

(a) Purchased of William Lyon, of Connecticut, $31 26, deferred, at 31.542 per cent. - - - - - -	$9 86
$46 89, three per cent. at 65 per cent. - - -	30 48
	$40 34

Treasury Department,
Register's Office, November 10, 1820.
JOSEPH NOURSE, *Register.*

No. 4.

ESTIMATE of the amount of Treasury notes outstanding, 1st October, 1820.

Total amount issued, (as per No. 5 of last report,) -				$36,680,794
Whereof there has been reported on by the First Auditor, as cancelled - - - - - - - -				$36,208,747
In his office, to be reported on:				
Received for six per cent. stock, issued at the Treasury, to 30th September, 1820 -	$40,120			
New Hampshire, 30th June, do. -	2,220			
Massachusetts, do. do. -	104,020			
Rhode Island, 31st March, 1819 -	3,280			
New York, 30th June, 1820 - -	31,680			
Maryland, 31st March, 1819 - -	43,340			
Virginia, 30th June, 1820 - -	100			
South Carolina, do. do. - -	16,100			
Georgia, 31st December, 1817 - -	98,000			
		$338,860		
Received for seven per cent. stock issued at New York, to 30th June, 1820 -	2,348			
South Carolina, 30th June, 1818 -	158			
Georgia, 31st March, 1817 -	3,880			
		6,386		
Redeemed by the Branch Bank at Richmond		40		
			345,286	
In the Branch Bank at Washington, small notes to the amount of - - - - - - -		2,101		
Other notes, including interest	$103,323 67			
Deduct estimate for interest	6,323 67			
		97,000		
In the Union Bank, New Hampshire, small notes		4		
			99,105	

Estimated balance outstanding 1st October, 1820:		
In small notes - - - - -	$4,096	
Others - - - - -	23,560	
		$27,656
		$36,680,794

Treasury Department,
Register's Office, November 10, 1820.
JOSEPH NOURSE, *Register.*

No. 5.

STATEMENT of the stock issued under the act of Congress entitled "An act supplementary to the act entitled An act for the indemnification of certain claimants of public lands in the Mississippi Territory," passed on the 3d of March, 1815.

Amount of claims awarded, per No. 6 of last report -		$4,282,151 12½
Amount of certificates issued, per do.	$4,273,550 17½	
Amount of certificates issued since -	5,814 01	
Total issued	4,279,364 18½	
Amount of certificates to be issued -	2,786 94	
		$4,282,151 12½
Amount of certificates issued, brought down,		$4,279,364 18½
Amount paid in for lands, to the 30th September, 1819, per statement C of last year - -	$2,372,574 31½	
Amount paid in since - -	66,733 99½	
Total paid in for lands to the 30th September, 1820 - - -		2,439,308 31
Amount of sixty-six per cent., paid at the Treasury, on $1,731,635 69, from the 15th May to 30th September, 1820 - - - - - - - -		1,142,879 55
Outstanding, 30th September, 1820:		
This sum, upon which the 66 per cent. has not been paid - - -	$108,420 18½	
Thirty-four per cent. on $1,731,635 69	588,756 14	
		697,176 32½
Amount issued, as above		4,279,364 18½
Amount to be issued -		2,786 94
Total awards -		$4,282,151 12½

Treasury Department,
Register's Office, November 10, 1820.
JOSEPH NOURSE, *Register.*

C.

STATEMENT of lands sold in the States of Ohio, Indiana, Illinois, Missouri, and in the Territory of Michigan, from the 1st of January, 1819, to the 31st of December following, inclusive; showing, also, the receipts from individuals, and payments made by receivers, during the same time; with the balances due, both on the 31st December, 1818, and 31st December, 1819.

Offices.	Lands sold, after deducting lands reverted.		Lands reverted.	In the hands of		Receipts by receivers.	
	Acres.	Purchase money.	Acres.	Receivers, Dec. 31, 1818.	Individuals, Dec. 31, 1818.	For purchase money.	For forfeitures.
Marietta - - -	4,954.10	$14,013 78	979.70	$25,754 07¾	$120,788 68½	$21,482 98¾	$99 43
Zanesville - - -	33,573.50	69,376 32	800.00	17,793 86	491,247 90	119,163 99	80 00
Steubenville - - -	13,637.23	28,878 58	476.72	17,625 49½	337,416 98½	80,930 01½	48 50
Wooster - - -	11,042.38	22,200 76	712.19	9,823 51½	691,154 63½	111,296 85¼	74 00
Chillicothe - - -	26,082.79	53,774 14	1,563.86	26,151 62	282,866 45	70,613 04	428 10
Cincinnati - - -	57,673.65	128,544 02	4,108.66	20,133 39	1,255,679 84½	191,526 52	423 00
Jeffersonville - - -	64,932.12	129,864 44	7,025.96	5,398 07¼	1,075,377 68¾	175,806 04¾	702 58
Vincennes - - -	142,602.06	285,204 12	7,929.46	56,464 17¾	1,449,399 36	273,426 68	776 51
Shawneetown - -	118,933.82	239,522 09	11,545.75	25,000 80½	653,583 86½	92,597 96¾	1,161 00
Kaskaskia - - -	60,355.49	120,710 90	6,911.01	25,921 32	479,929 73	72,573 49½	1,603 24
Edwardsville - - -	90,755.68	187,310 97	10,917.28	30,936 05	435,642 47	75,702 59½	1,145 72
Detroit - - -	14,985.90	20,798 76	3,546.95	28,405 00	99,449 74	13,133 14	389 68
Franklin - - -	471,460.36	1,326,290 18	48,072.16½	86,590 39	469,314 58	403,398 88	12,393 59
St. Louis - - -	324,429.45½	787,543 48½	27,701.45	8,611 49¼	293,428 34¼	225,018 31	4,548 70
	1,435,318.53½	3,414,032 54½	132,291.15½	384,609 26½	8,135,280 27½	1,926,670 53	23,874 05

STATEMENT C—Continued.

Offices.	Payments by receivers.		Balances due December 31, 1819.		Total balances due Dec. 31, 1819.
	Into the Treasury.	For expenses and repayments.	From individuals.	From receivers.	
Marietta - - - - -	$28,757 23	$2,057 49	$113,418 90¾	$16,422 34½	$129,841 25¼
Zanesville - - - - -	132,776 62	3,770 37	441,540 23	410 86	441,951 09
Steubenville - - - - -	84,149 48	2,747 37	285,414 05	11,658 66	297,072 71
Wooster - - - - -	82,902 14	4,492 64¼	602,132 54½	33,725 58½	635,858 12¾
Chillicothe - - - - -	63,167 90	2,524 13	266,455 65	31,072 63	297,528 28
Cincinnati - - - - -	168,502 94	6,081 91	1,193,120 34½	37,075 06	1,230,195 40½
Jeffersonville - - - - -	171,286 44	5,571 01½	1,039,138 66	4,346 66½	1,034,485 32½
Vincennes - - - - -	322,128 82¾	6,565 33¼	1,461,953 31	1,196 69¾	1,463,150 00¾
Shawneetown - - - - -	112,633 93	4,578 03	801,668 98¾	386 81¼	802,055 80
Kaskaskia - - - - -	40,061 74	2,681 43	529,670 37½	55,751 64½	585,422 02
Edwardsville - - - - -	94,257 09½	759 37½	548,396 56½	11,622 17½	560,018 74
Detroit - - - - -	20,403 45	2,276 72	107,505 04	18,857 98	126,363 02
Franklin - - - - -	463,519 05	17,310 66	1,404,599 47	9,159 56	1,413,759 03
St. Louis - - - - -	186,787 16	5,178 44	860,502 21¾	41,664 20¼	902,166 42
	1,971,334 00¼	66,594 91½	9,646,516 35	273,350 87¾	9,919,867 22¾

GENERAL LAND OFFICE, *November* 15, 1820.

JOSIAH MEIGS, *Commissioner*.

D.

STATEMENT of lands sold in the States of Ohio, Indiana, Illinois, Missouri, and in the Territory of Michigan, from the 1st *of January*, 1820, *to the* 30*th of June following, inclusive; showing, also, the receipts from individuals and payments by receivers, during the same period; also, the balances due, both on the* 31*st of December*, 1819, *and the* 30*th of June*, 1820.

Offices.	Lands sold, after deducting lands reverted.		Reversions.	In the hands of		Received for		Payments	
	Acres.	Purchase money.	Acres.	Receivers, Dec. 31, 1819.	Individuals, 31st of December, 1819.	Purchase.	Forfeiture.	Into Treasury.	Expenses and repayments.
Marietta - - -	886.07	$2,092 14	-	$16,422 34½	$113,418 90¾	$6,984 61	-	$7,375 87	$643 61½
Zanesville - - -	4,549.06	9,038 12	780.00	410 86	441,540 23	41,415 45	$80 58	39,693 06	1,992 29
Steubenville - - -	2,847.45	6,968 82	559.19	11,658 66	285,414 05	28,036 06	73 00	29,242 11	1,207 25
Wooster - - -	1,435.50	2,871 00	160.00	33,725 58½	602,132 54¼	36,319 34	16 00	37,460 77	1,283 90½
Chillicothe - - -	2,841.65	5,314 14	926.96	31,072 63	266,455 65	20,792 41	92 67	19,296 45	1,495 96
Cincinnati - - -	4,207.35	8,414 70	367.74	37,075 06	1,193,120 34½	55,749 95	84 00	70,850 73	1,959 08
Jeffersonville - -	6,359.77	12,719 54	1,120.00	4,346 66½	1,030,138 66	54,099 29	112 00	52,292 37¼	2,075 92½
Vincennes - - -	11,869.84	23,739 68	3,325.60	1,196 69¾	1,461,953 31	61,930 30	253 00	59,377 66	2,859 97
Shawneetown - -	18,107.46	36,980 92	3,138.34	386 81¼	801,668 98¾	24,368 97	316 00	22,777 37	1,806 88
Kaskaskia - - -	5,608.67	11,217 34	1,362.96	55,751 64½	529,670 37½	19,231 89½	136 00	51,273 20	1,752 75
Edwardsville - -	6,640.00½	13,290 01	1,791.40	11,622 17½	548,396 56½	15,108 64½	61 50	16,689 72	128 87½
Detroit - - -	2,915.14	5,830 28	480.00	18,857 98	107,505 04	2,415 82	48 00	1,562 50	677 47
Franklin - - -	32,848.37	66,619 81	1,839.93½	9,159 56	1,404,599 47	37,548 28	204 25	33,417 30	2,005 53
St. Louis - - -	16,119.98½	32,347 17	1,376.12	41,664 20¼	860,502 21¾	22,749 65	152 92	23,855 89	2,027 84
	117,236.32	237,443 67	17,228.24½	273,350 87¾	9,646,516 35	426,750 98¾	1,629 92	465,165 00¼	21,917 34

STATEMENT D—Continued.

Offices.	Balances due by Individuals.	Balances due by Receivers.	Total balance due, June 30, 1820.
Marietta	$108,526 43¾	$15,387 47	$123,913 90¾
Zanesville	409,243 48	140 96	409,384 44
Steubenville	264,419 81	9,245 36	273,665 17
Wooster	568,700 20¼	31,300 25	600,000 45¼
Chillicothe	251,070 05	31,072 63	282,142 68
Cincinnati	1,145,869 09½	20,015 20	1,165,884 29½
Jeffersonville	988,870 90¼	4,077 66½	992,948 56¾
Vincennes	1,424,015 69	889 36¾	1,424,905 05¾
Shawneetown	814,596 93¾	171 53¼	814,768 47
Kaskaskia	521,791 82	21,957 59	543,749 41
Edwardsville	546,639 43	9,912 22½	556,551 65½
Detroit	110,967 50	19,033 84	130,001 34
Franklin	1,433,875 25	11,285 00	1,445,160 25
St. Louis	870,252 34¾	38,530 43¼	908,782 78
	9,458,838 95¼	213,019 52¼	9,671,858 47½

Lands sold from the opening of the offices to the 30th of June, 1820, viz:

	Acres.	Dollars.	Acres.	Dollars.
Up to the 30th of September, 1819, as per account, laid before Congress on the 4th of December, 1819			12,239,815.52	26,485,456 29½
From January 1, 1819, to Dec. 31, 1819, as above	1,435,318.53½	3,414,032 54½		
From January 1, 1820, to June 30, 1820	117,236.32	237,443 67		
	1,552,554.85½	3,651,476 21½		
Deduct sales in first three qrs. of 1819	1,311,938.68½	3,158,701 86½		
			240,616.17	492,774 35
Total sales to the 30th June, 1820			12,480,431.69	$26,978,230 64½

GENERAL LAND OFFICE, *November* 15, 1820.

JOSIAH MEIGS, *Commissioner*.

E.

STATEMENT of lands sold in the States of Mississippi and Alabama, from the 1st *of January,* 1819, *to the* 31st *of December,* 1819; *showing, also, the receipts from individuals, and payments made by the receivers, during the same time; with the balance due, both on the* 1st *January, and* 31st *December,* 1819.

Offices.	Lands sold, after deducting lands reverted.		Lands reverted.	In the hands of		Receipts by receivers.	
	Acres.	Purchase money.	Acres.	Receivers, 1st January, 1819.	Individuals, 1st January, 1819.	For purchase money.	For forfeitures.
West of Pearl river -	134,388.23	$257,493 43	2,092.25	$15,444 47½	$1,203,863 66	$190,614 07	$210 27
East of Pearl river -	224,401.30	719,564 61¾	17,455.75¼	218,561 21¾	1,015,378 29¼	298,534 47	3,270 50
Huntsville - -	134,577.72	220,580 88	55,397.29	83,300 22¾	5,908,795 07	192,017 98¼	11,794 50
Cahaba - - -	782,746.85¾	2,681,585 06¾	66,776.36½	21,047 76½	1,525,276 90	724,758 16½	11,157 97
	1,276,114.10¾	3,879,223 99½	141,721.65¾	338,353 68½	9,653,313 92¼	1,405,924 68¾	26,433 24

Offices.	Payments by receivers.		Balances due 31st December, 1819.		Total balance due 31st December, 1819.
	Into the Treasury.	For expenses and repayments.	From individuals.	From receivers.	
West of Pearl river -	$127,861 63	$5,933 59	$1,270,953 29	$72,263 32½	$1,343,216 61½
East of Pearl river -	321,801 55¼	9,458 71	1,439,678 94	185,835 42½	1,625,514 36½
Huntsville - -	187,770 92	9,422 14¼	5,949,152 46¾	78,125 14¾	6,027,277 61½
Cahaba - - -	693,279 27¾	18,143 59½	3,493,261 77¼	34,383 05¾	3,527,644 83
	1,330,713 38	42,958 03¾	12,153,046 47	370,606 95½	12,523,653 42½

STATEMENT E—Continued.

STATEMENT of lands sold in the States of Mississippi and Alabama, from the 1st *of January,* 1820, *to the* 30*th of June,* 1820; *showing, also, the receipts from individuals, and payments made by the receivers, during the same time; with the balance due, both on the* 1st *of January, and* 30*th June,* 1820.

Offices.	Lands sold, after deducting lands reverted.		Lands reverted.	In the hands of		Receipts by receivers.		Payments by receivers.	
	Acres.	Purchase money.	Acres.	Receivers, 1st January, 1820.	Individuals, 1st January, 1820.	For purchase money.	For forfeitures.	Into the Treasury.	For expenses and repayments.
West of Pearl river -	4,281.11	$8,402 22	3,253.95	$72,263 32½	$1,270,953 29	$31,450 31	$325 97	–	$1,190 78
East of Pearl river -	5,847.58¼	17,123 36½	3,038.17½	185,835 42½	1,439,678 94	46,663 41½	316 75	$170,260 36	5,113 42¼
Huntsville - -	35,879.10	91,433 59	6,197.73	78,125 14¾	5,949,152 46¾	57,068 29	687 00	51,255 44	3,327 62
Cahaba - -	239,979.27¼	894,185 48	31,863.53	34,383 05¼	3,493,261 77¼	252,359 42½	6,521 65½	260,711 52½	6,942 57½
	285,987.06½	1,011,144 65½	44,353.38½	370,606 95	12,153,046 47	387,541 44	7,851 37½	482,227 32½	16,574 39¾

STATEMENT E—Continued.

Offices.	Balances due 30th June, 1820.		Total balance due 30th June, 1820.
	From individuals.	From receivers.	
West of Pearl river *a*	$1,248,231 17	$102,522 85½	$1,350,754 02½
East of Pearl river -	1,410,455 64	57,125 05¾	1,467,580 69¾
Huntsville - -	5,984,204 76¾	80,610 37¾	6,064,815 14½
Cahaba - -	4,141,609 48¼	19,088 37¾	4,160,697 86
	12,784,501 06	259,346 66¾	13,043,847 72¾

TOTAL SALES OF LANDS IN MISSISSIPPI AND ALABAMA, viz:

	Acres.	Dollars.	Acres.	Dollars.
From the opening of the offices to 30th September, 1819, as per account laid before Congress 4th December, 1819 - - -			4,792,156.68	17,656,549 47¾
Amount sold from 1st Jan., 1819, to 31st December, 1819 - -	1,276,114.10¾	3,879,223 99½		
Amount sold from 1st Jan., 1820, to 30th June, 1820	285,987.06½	1,011,144 65½		
	1,562,101.17¼	4,890,368 65		
Deduct sales in first three quarters of 1819 -	1,210,383.82	3,713,306 04½		
			351,717.35¼	1,177,062 60½
Total sales to 30th June, 1820 - - -			5,143,874.03¼	18,833,612 08¼

TOTAL STOCK RECEIVED FOR LANDS, viz:

Up to 30th September, 1819, as per account laid before Congress 4th December, 1819 - - - - - - - - -	$2,372,574 31½
In the last quarter of 1819 - - - - - - -	21,057 30
From 1st January, 1820, to 30th June, 1820 - - - - - -	35,125 57½
	$2,428,757 19

a No returns of receipts or expenditures in April, May, and June, from west of Pearl river.

GENERAL LAND OFFICE, *November* 15, 1820.

JOSIAH MEIGS, *Commissioner.*

REPORT ON CURRENCY,

MADE TO THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES, 24TH FEBRUARY, 1820.

TREASURY DEPARTMENT,
February 12, 1820.

SIR: In obedience to a resolution of the House of Representatives, passed on the 1st of March, 1819, directing "the Secretary of the Treasury to transmit to Congress, at an early period in the next session, a general statement of the condition of the Bank of the United States and its offices, similar to the return made to him by the bank; and a statement, exhibiting, as nearly as may be practicable, the amount of capital invested in the different chartered banks in the several States and the District of Columbia, the amount of notes issued by those banks and in circulation, the public and private deposites in them, the amount of loans and discounts made by them, and remaining unpaid, and the total quantity of specie they possess; and, also, to report such measures as, in his opinion, may be expedient to procure and retain a sufficient quantity of gold and siver coin in the United States, or to supply a circulating medium in place of specie, adapted to the exigencies of the country, and within the power of the Government:" I have the honor to submit the subjoined report and statements.

Statement A exhibits the condition of the Bank of the United States and its offices, on the 30th of September 1819.

Statement B exhibits the amount of bank capital authorized by law during the years 1814, 1815, 1816, and 1817. As this statement is founded upon the applications made to the Treasury under the acts imposing stamp duties, it is believed to be substantially correct. The average dividends upon which the stamp duty was paid, during those years, amounted to about 7½ per cent. upon the nominal amount of capital; it is, however, a matter of general notoriety, that the dividends upon bank capital, actually paid, exceeded that rate. If it is assumed that the dividends declared, and upon which the duty was paid, amounted, during those years, to 10 per cent.; then the capital actually paid, in the year 1817, instead of being more than $125,000,000, as it is exhibited in statement B, will be found to be about $94,000,000; but, when it is recollected that, after the first payment required by the charters of the different banks, they have generally gone into operation, it is probable that a considerable proportion of the remaining payments have added nothing to their active capital. This fact being assumed, and a deduction being made of the amount of permanent accommodation enjoyed by the stockholders in their respective banks, the active bank capital of the United States may be fairly estimated at a sum not exceeding $75,000,000. That these deductions ought to be made, in an attempt to ascertain the real amount of bank capital, cannot, it is presumed, be contested. If a stockholder to the amount of $10,000 has a permanent accommodation in the bank of $8,000, he has, in fact, but $2,000 of capital in the bank. This is equally true when a portion of his subscription has been paid with his own note, however well endorsed: so long as the note remains unpaid, it adds nothing to the real capital of the bank.

Such, it is believed, has been the process by which the capital of most of the banks has been formed, which have been incorporated since the commencement of the late war. Since that period, banks have been incorporated, not because there was capital seeking investment; not because the places where they were established had commerce and manufactures which required their fostering aid; but because men without active capital wanted the means of obtaining loans, which their standing in the community would not command from banks or individuals having real capital and established credit. Hence the multiplicity of local banks, scattered over the face of the country, in particular parts of the Union; which, by the depreciation of their paper, have levied a tax upon the communities within the pale of their influence, exceeding the public contributions paid by them.

Statement C presents the condition of the State banks from which returns have been received, or have been transmitted by the Secretaries of State of different States, in conformity with the request of the Treasury Department. By comparing this statement with statement B, it will be perceived that it is very imperfect. Independently of the banks which have been created since the year 1817, it will be discovered that bank capital, to the amount of more than $18,000,000, comprehended in statement B, is not embraced in it. As the amount of bank capital exhibited in statement C is $72,000,000, and its specie $9,828,000, the whole specie possessed by the State banks may be estimated at $12,250,000; if to this sum be added the specie in the possession of the Bank of the United States and its offices, the specie capital of all the banks in the United States may be estimated at $15,500,000. There are no means of ascertaining, with any degree of precision, the amount of specie in circulation; it is probable, however, that it does not exceed $4,500,000. Assuming this amount to be nearly correct, the whole metallic currency of the Union may be estimated at $20,000,000. Applying the same rule for ascertaining the circulation of the banks not embraced by statement C, which has been employed to determine their specie, the whole amount of bank notes in circulation may be estimated at $46,000,000. It is probable, however, that this estimate is too high; as, according to the general practice of banks, all notes issued are considered in circulation, which are not in the possession of the bank by which they were issued. A reasonable deduction being made from the notes supposed to be in circulation, but which are, in fact, in the possession of other banks, it is probable that the actual circulation, both of paper and specie, is less, at this time, than $45,000,000. By the same mode of calculation, the whole amount of discounts may be estimated at $156,000,000.

The destruction or loss of the returns made to the Treasury before the year 1816, by the banks in which the public money was deposited, prevents any satisfactory comparison being drawn between their condition before and since that period. Comparative statements, however, have been received from sixteen banks, in different parts of the Union, showing their situation on the 30th day of September, in the years 1813, 1815, and 1819. By statement D, it appears that those banks, at the first period, with a capital of $6,903,262, and with $3,059,149 of specie in their vaults, circulated

$6,845,344 of their notes, and discounted to the amount of $12,990,975: at the second period, their capital was $8,852,371; specie $1,693,918; circulation $9,944,757; and discounts $15,727,218: and at the third period, their capital was $9,711,960; specie $1,726,065; circulation $4,259,234; and discounts $12,959,560.

By statement B, already referred to, it has been shown that in the year 1814 the nominal bank capital in the United States exceeded $80,000,000. It is understood that a large addition was made to it in that year in several of the States. If it be admitted that such addition amounted to $15,000,000, the bank capital in operation in the year 1813 may be stated at $65,000,000. Allowing to this capital the same amount of specie, circulation, and discounts, as was comparatively possessed by the banks comprehended in statement D, the estimate will be, specie $28,000,000; circulation $62,000,000; and discounts $117,000,000. In 1815 the bank capital had increased to $88,000,000, whilst upon the same principle of calculation the specie would have been estimated at $16,500,000, circulation at $99,000,000, and discounts at $150,000,000. Applying this principle to the $125,000,000 of bank capital in operation during the year 1819, the specie possessed by all the banks would amount to $21,500,000, circulation $53,000,000, and discounts $157,000,000.

These last results, with the exception of the discounts, very materially differ from those which have been obtained by the mode of calculation previously adopted. They nevertheless furnish materials which may be useful in the progress of this inquiry. From them the following deductions may be drawn:

1st. That, in the year 1813, the circulation of bank notes was nearly equal to the bank capital.

2d. That, in the year 1815, it exceeded the capital by one eighth.

3d. That, in the year 1819, it was less than the capital nearly in the proportion of 1 *to* 2.5.

4th. That whilst the amount of bank capital has increased, since 1813, from 65 to 125, the metallic basis, upon which the circulation of notes is founded, has decreased in the proportion of 15.5 to 28; being equal to 44.6 per cent.

5th. That the circulation of notes in the year 1819, in proportion to the specie in the possession of the banks, exceeded that of 1813 25.9 per cent.

6th. That in the year 1813 the discounts, in proportion to the bank capital employed, exceeded those of 1815 in the ratio of 18 to 17, and those of 1819 in the ratio of 18 to 12.

7th. That the increase of bank notes in circulation between the years 1813 and 1815 exceeded the increase of discounts during the same period by $4,000,000, whilst the specie in the vaults of the banks was diminished $11,000,000.

8th. That whilst between the years 1815 and 1819 an addition of $37,000,000 has been made to the nominal bank capital, but $6,000,000 have been added to the aggregate amount of discounts.

It is probable that between the year 1811 and the year 1813 a considerable addition was made to the paper circulation of the country. From a return of the former Bank of the United States, made to the Treasury in 1808, it appears that with $15,300,000 of specie, it circulated only $4,787,000 of notes. Another return, made in 1810 shows its condition was not materially changed. Shortly after the expiration of its charter bank capital, to a great amount, was incorporated in some of the States. The expenditures produced by the war which was declared in 1812, without doubt, contributed, in some degree, to produce the difference between the condition of the sixteen banks already referred to, and that of the former Bank of the United States. If it be admitted, however, that the circulation in 1813 was not redundant, it must have become excessive in 1815. An increase of the currency, in the space of two years, in the proportion of 99 to 62, even if it had been wholly metallic, could not have failed to have produced a very great depreciation; but when it is considered that not only the increase, but the whole circulation, consisted of paper, not convertible into specie, some idea of its depreciation may be formed. The depreciation, however, was not uniform in every part of the Union. The variation in the degree of depreciation depended not only upon the greater issues of banks in one section of the nation than in others, but also upon the local advantages which they enjoyed as to commerce. It is impossible to determine with precision where the most excessive issue of bank notes occurred. Statement E, which exhibits the rate of exchange between the principal cities to the east of this place and London, and the price of bills at New York upon Boston, Philadelphia, and Baltimore, during the years 1813, 1814, 1815, and 1816, may be considered presumptive evidence of that fact. So far as it can be relied upon for that purpose, Baltimore was the point of greatest depreciation among the abovementioned places. This is probably true, as it is known that the banks in that place made greater advances to the Government in the loans which it obtained during the late war, in proportion to their capital, than those of Philadelphia, New York, and Boston. But the greatest depreciation of the currency existed in the interior States, where the issues were not only excessive, but where their relation to the commercial cities greatly aggravated the effects of that excess.

This statement may also assist in explaining the cause of the necessity which existed in 1814 for the suspension of specie payments by the banks. From the commencement of the war until that event, a large amount of specie was taken out of the United States, by the sale of English Government bills at a discount, frequently of from 15 to 20 per cent. Immediately after the suspension, they commanded a premium in those places where the banks had suspended payment, which gradually rose to 20 per cent.; whilst at Boston they remained at a discount of about 14 per cent. until February, 1815.

Whatever may have been the degree of depreciation of the currency in 1815, it continued to augment throughout the first six months of the year 1816, if the rate of exchange with London is considered conclusive evidence of that fact. The excessive importations of British merchandise during that period, and in the preceding year, might indeed account for the increase of premium paid upon sterling bills, and was probably one of the principal causes of it. The great fluctuations which occurred in the latter part of that period furnish some reason, however, for ascribing them, in some degree, to changes in the value of the currency, in which their price was calculated, rather than to the ordinary principles of exchange. It is more probable that the currency in those places where it was not convertible into specie fluctuated in value according to the efforts which were made in particular places to prepare for the resumption of specie payments, than that the balance of payments between the two countries should have varied to such an extent as is indicated by the sudden variations which occurred during that period in the rate of exchange. So far as these fluctuations are ascribable to the currency in which the rate of exchange was determined, a considerable appreciation of that currency took place in the last months of the year 1816. From that period until the present time, the circulation has rapidly diminished, and all the evils incident to a decreasing currency have been felt in every part of the Union, except in some of the eastern States.

If, as previously stated, the circulation of 1813 be admitted to be the amount required to effect the exchanges of the community with facility and advantage, and that, in the year 1815, that circulation was extended to $99,000,000, which was in some degree augmented in 1816, the extent of the diminution of the currency, in the space of three years, may be perceived. But it is probable that the currency, in 1815, exceeded $99,000,000. The banks, upon whose situation that estimate is founded, were established at a period when the practice of dispensing with the payment of those portions of their capital falling due after they went into operation had not been generally introduced. Some of them did not suspend specie payments during the general suspension. The rest were among the first to resume them, and have continued them to the present time. It cannot be expected that banks, which went into operation during the war, and after the general suspension had occurred, were conducted with an equal degree of prudence and circumspection. A reasonable allowance being made for bank notes supposed to be in circulation at that period, but which were, in fact, in the possession of other banks, and for the excess of issues beyond the estimate, the circulation may, it is believed, be safely calculated at not less than $110,000,000. The paper circulation in 1813 has been estimated at $62,000,000. At that period, however, gold and silver formed a substantial part of the currency. The condition of the old Bank of the United States in 1810, and of the sixteen banks in 1813, proves that the demand for specie from the vaults of the banks was inconsiderable. It is, therefore, probable that the whole circulation of 1813 amounted to $70,000,000. In 1815 it is estimated to have risen to $110,000,000; and this amount was probably augmented in 1816. At the close of 1819 it has been estimated, upon data believed to be substantially correct, at $45,000,000. According to these estimates, the currency of the United States has, in the space of three years, been reduced from $110,000,000 to $45,000,000. This reduction exceeds fifty-nine per cent. of the whole circulation of 1815. The fact that the currency in 1815 and 1816 was depreciated, has not sensibly diminished the effect upon the community of this great and sudden reduction. Whatever was the degree of its depreciation, it was still the measure of value. It determined the price of labor, and of all the property of the community. A change so violent could not fail, under the most favorable auspices in other respects, to produce much distress, to check the ardor of enterprise, and seriously to affect the productive energies of the nation. The reduction was, in fact, commenced under favorable auspices. During the year 1817, and the greater part of 1818, all the surplus produce of the country commanded, in foreign markets, higher prices than ordinary. The rate of foreign exchange afforded no inducement for the exportation of specie, for the purpose of discharging debts previously contracted. The only drain to which the metallic currency was subject, was the demand for it for the prosecution of trade to the East Indies and to China. In this trade, specie being the principal commodity, and indispensable to its prosecution, the amount exported during those years was very great, and seriously affected the amount of circulation, by compelling the banks to diminish their discounts.

Notwithstanding the drain for this commerce during these years was unusually large, every other circumstance was favorable to the restoration of the currency to a sound state, with the least possible distress to the community. The capacity of the country to discharge a large portion of the debts contracted with banks, and which had occasioned their excessive issues, was greater than at any former period, and than it probably will be again for a lapse of successive years. The effort to reduce the amount of currency during those years, though successful to a considerable degree, was not pursued with sufficient earnestness. In the latter part of 1818, when the price of the principal articles of American production had fallen nearly fifty per cent. in foreign markets; when the merchant needed the aid of additional loans to sustain him against the losses which he had incurred by the sudden reduction in the price of the commodities he had exported; he was called upon to discharge loans previously contracted. The agriculturist, who saw his income reduced below his indispensable necessities; the manufacturer, who was not only struggling against foreign competition, but who saw the sale of his manufactures reduced by the incapacity of his customers to buy; in fact, all classes of the community, under circumstances so adverse to the command of funds, were subjected to curtailments wherever they had obtained discounts.

All intelligent writers upon currency agree, that where it is decreasing in amount, poverty and misery must prevail. The correctness of the opinion is too manifest to require proof. The united voice of the nation attests its accuracy. As there is no recorded example in the history of nations of a reduction of the currency so rapid and so extensive, so but few examples have occurred of distress so general and so severe as that which has been exhibited in the United States. To the evils of a decreasing currency are superadded those of a deficient currency. But, notwithstanding it is deficient, it is still depreciated. In several of the States the great mass of the circulation is not even ostensibly convertible into specie at the will of the holder. During the greater part of the time that has elapsed since the resumption of specie payments, the convertibility of bank notes into specie has been rather nominal than real in the largest portion of the Union. On the part of the banks, mutual weakness had produced mutual forbearance. The extensive diffusion of bank stock among the great body of the citizens in most of the States, had produced the same forbearance among individuals. To demand specie of the banks, when it was known that they were unable to pay, was to destroy their own interests, by destroying the credit of the banks, in which the productive portion of their property was invested. In favor of forbearance was also added the influence of the great mass of bank debtors. Every dollar in specie drawn out of the banks, especially for exportation, induced the necessity of curtailments. To this portion of the community all other evils were light, when compared with the imperious demands of banks. Their exertions to prevent the drain of specie in the possession of those who controlled their destiny, equalled the magnitude of the evils which were to be avoided. In most parts of the Union this forced state of things is passing away. The convertibility of bank notes into specie is becoming real wherever it is ostensible. If public opinion does not correct the evil in those States where this convertibility is not even ostensible, it will be the imperious duty of those who are invested with the power of correction to apply the appropriate remedy.

As the currency is, at least in some parts of the Union, depreciated, it must, in those parts, suffer a further reduction before it becomes sound. The nation must continue to suffer until this is effected. After the currency shall be reduced to the amount which, when the present quantity of the precious metals is distributed among the various nations of the world, in proportion to their respective exchangeable values, shall be assigned to the United States; when time shall have regulated the price of labor and of commodities, according to that amount; and when pre-existing engagements shall have been adjusted, the sufferings from a depreciated, decreasing, and deficient currency will be terminated; individual and public prosperity will gradually revive, and the productive energies of the nation resume their accustomed activity. But new changes in the currency, and circumstances adverse to the perpetuity of the general prosperity, may reasonably be expected to occur. So far as these changes depend upon the currency, their recurrence, to an extent sufficient to disturb the prosperity of the nation, would be effectually prevented, if it could be rendered purely metallic. In that event, we should always retain that proportion of the precious metals which our exchangeable commodities bear to those of other nations. The currency would seldom be either redundant or deficient, to an extent that would seriously affect the interest of society. But when the currency is metallic, and paper convertible into specie, changes to such an extent, it is believed, will frequently occur.

The establishment of banks which are restrained from issuing notes of small denominations furnishes great facilities for the transmission of money, and increases the efficiency of the capital subject to their control, to the extent of the credit employed by them. The degree of facility afforded by them for the transportation or transmission of money, depends upon the extent of country within which their notes circulate and preserve a value equivalent to specie. Ordinarily, this extent is determined by the interior trade of the country; they will circulate through the whole extent of country, the produce of which is carried for sale to the place of their establishment. If they are established only in the principal commercial city of the nation, their notes will circulate through the whole extent of its territory, and afford the greatest possible facility for the transmission of money. If they are established in several of the commercial cities, their circulation will be circumscribed by the sections of country, the inhabitants of which trade to those cities. The facility for transmitting money will be diminished by their establishment. But if banks should be established in all the interior towns, this facility would be impaired to a still greater degree. In that event, their notes would circulate within very narrow limits; but within those limits, the notes of the banks in the commercial cities would no longer form part of the circulation. Should they, by accident, be carried within it, the first individual having remittances to make, and into whose hands they might come, would use them for that purpose.

The degree of credit which a bank can employ, in proportion to its capital, depends upon a variety of circumstances. If the community reposes great confidence in the prudence and integrity of those who direct its concerns; if the capital employed is small in proportion to the demand for the transmission of money; if there is no other bank whose local situation repels its circulation from those sections of country, the produce of which is ultimately carried to the place where it is established, the credit which it will be able to employ will be very great. Where all these facilities are wanting, the extent of the credit which it will employ will be very inconsiderable. The additional efficiency which, in the latter case, will be imparted to capital invested in banks, will, it is believed, not countervail the evils which necessarily result from their establishment.

Among the advantages which have been supposed most strongly to recommend their establishment, especially in a community whose resources are rapidly expanding, their capacity suddenly to increase the currency to the utmost demand for it has been considered the most important.

In a country where the currency is purely metallic, no considerable addition can be made to it, without giving, at the time of its acquisition, articles in exchange of equal value. No addition can be made to the currency without affecting, to the extent of such addition, the enjoyments of the community. The amount so added will, to the same extent, diminish the quantity of articles which would otherwise be imported into the country for domestic consumption, or for re-exportation.

Ordinarily, the currency of one country will not be exported to another, because its value in every country is nearly the same. It will not, therefore, like other commodities, command a commercial profit upon exportation. It will be taken from one country to another, only when the price of commodities in the former is so high as to produce a loss in the latter equal to the expense of transporting specie. It is this condition, annexed to every acquisition to the currency of a state, when it is purely metallic, of diminishing, to the same extent, the enjoyments of the community, which affords the most efficient protection against its becoming redundant. It is equally efficient in guarding against a deficiency to an extent that can seriously affect the interest of the community. But this condition is not annexed to the increase of the currency by the issue of bank notes, even when convertible into specie. The notes, by which the currency is suddenly augmented, do not, in any degree, diminish the enjoyments of the community. No equivalent is, by such issue, transferred to another community, as is invariably done when an acquisition is made to a metallic currency. Whenever the currency can be augmented, exempt from such transfer, it must be subject to some degree of fluctuation in quantity. Every addition made to the currency by the issue of bank notes changes the relation which previously existed between the amount of the currency and the amount of the commodities which are to be exchanged through its agency. Their issue depends, not upon receiving in exchange articles of equal value, but upon a pledge of the credit of one or more individuals, to the amount of such issue. No evil can result to the community from the advance of the capital of a bank in exchange for the credit of individuals. In that case, no addition is made to the amount of the currency previously in circulation. It is perfectly immaterial to society whether this capital be lent by individuals or by corporations. The relation between the currency and the exchangeable commodities of the state is not disturbed. But when their credit is greatly extended, the currency is expanded, and that relation is deranged. An expansion of the currency, through the agency of banks, will generally occur only in periods of prosperity. During such periods, enterprise will be fostered, industry stimulated, and the comfort and happiness of the people advanced, without the factitious aid of an expansive currency. But there can be no doubt that a sudden increase of the currency during periods of prosperity, through the agency of bank issues, gives additional force and activity to the national enterprise. Such an increase will be followed by a general rise in the value of all articles, especially of those which cannot be exported. The price of lands, houses, and public stock, will be augmented in a greater degree than if no such increase had taken place.

If these prices could be maintained, if they could even be protected against sudden reduction, they would be cause of gratulation rather than of complaint. But the expansion of the currency by the issue of paper, in a period of prosperity, will inevitably be succeeded by its contraction in periods of adversity. The extent to which the currency may be contracted, through the agency of banks, depends upon the use which they may have made of their credit. The excess of their discounts beyond their capital actually paid, determines the amount of the credit which they have employed. Thus, in 1813, the capital of the banks in the United States has been estimated at $65,000,000, and their discounts at $117,000,000. The extent to which their credit was then employed was $52,000,000. Their circulation, at the same period, has been estimated at $62,000,000. In this estimate no allowance was made for notes stated to be in circulation, but which were probably in the possession of other banks. A reasonable deduction being made on that account, it is probable that the paper circulation did not much exceed $52,000,000. But the liability of the banks for specie was equal to the whole amount of notes represented to be in circulation, besides the individual deposites. To meet an immediate demand, they are estimated to have had $28,000,000 in specie. If the deposites of individuals should be estimated at $18,000,000, their ultimate means of meeting the demand of $62,000,000, without sacrificing their capital, would consist of $10,000,000 in specie, and $52,000,000 secured by the notes of individuals; this sum being the excess of their discounts over their capital. Under ordinary circumstances, the basis upon which the credit of this circulation rested might be considered sufficient to sustain it. A debt of $117,000,000 could not, under the most adverse circumstances, be considered inadequate to meet one of $52,000,000. But, in the case of currency, the capacity of ultimate redemption is not sufficient. The capacity to redeem it as it is presented is indispensable. Whenever the public confidence in this capacity is impaired, an immediate demand for specie will be created; and, if it is not promptly met, depreciation will ensue. But, even in circumstances in some degree adverse to the operations of banks, if their discounts consisted principally of notes founded upon real transactions, in which the idea of renewal was excluded, and if specie formed a considerable proportion of the circulation, the capacity of the banks to meet the demands upon them for specie might have been sufficient to sustain the credit of the currency. If, on the other hand, the debts due to the banks consisted chiefly of fixed or permanent loans, generally denominated accommodation paper; if specie had been banished from circulation, by the issue of dollar notes, the suspension of payment by the banks could fail to be the result of any considerable pressure upon them for specie. In the former case, as their notes should be withdrawn from circulation, they would gradually be reduced to the demand for them for the transmission of money. If the effort to withdraw them should be continued beyond that point, specie would be paid into the banks by their debtors, in preference to bank notes; and the just proportion between the paper circulation, and the specie in their vaults, would be promptly restored. In the latter case, as the debts due to the banks would not, according to the understanding of the parties, become due at short intervals, the only mode of meeting the increasing demands upon them for specie would be to require of the whole mass of debtors the payment of a fixed proportion of the sums due by them. As the circumstances which would require this measure, on the part of the banks, would generally affect the community in the same degree, the capacity of their debtors to meet this demand would generally be found to be in an inverse ratio to the demand. The demand itself, being inconsistent with the impression under which the debt was contracted, would be resisted in every case where the interest of the debtor would be subserved by delay. As specie formed but an inconsiderable part of the currency, the reduction of the paper circulation would have to be carried to a greater extent than in the former case. A just proportion between the paper circulation, and the specie necessary to support it, could be obtained only by the positive reduction of the former, as it would be impracticable to increase the latter while the demand continued. Under such circumstances, the suspension of payment would be the probable result.

Such, in fact, were the circumstances under which the suspension in 1814 occurred.

The injudicious multiplication of banks, where capital in that form, to some extent, might have been useful; the establishment of them where they could only be injurious; the permission to issue dollar notes, by which specie was banished from circulation; and the demand for specie for exportation, which existed during the years 1813 and 1814, imposed upon the banks in the middle, southern, and western States the necessity of suspending payment. A longer effort to discharge their notes in specie would not only have been ineffectual, but would certainly have postponed to a more remote period the resumption of specie payments. The evils which have resulted to the community from that suspension have certainly been great; but it may well be doubted whether others of equal magnitude would not have been suffered, if that event had not occurred. The extent to which the currency must have been reduced, in order to have avoided the suspension, could not have failed, at any period, to produce great embarrassment and distress to the community. But in a time of war, when the country was invaded, when the public safety required that the energies of the nation should be fully developed, a sudden and extensive reduction of the currency, by any cause whatever, would have been fatal. Under such circumstances, the demand for currency would have been too imperious to be resisted. It would, from necessity, have been supplied by the issue of Treasury notes.

The fact that, in a small portion of the Union, specie payments were continued, cannot be admitted as evidence that it was practicable throughout the nation. In that part of the country, the extensive bank issues, consequent upon loans to the Government in the middle States, had not occurred. Foreign trade, which in the other parts of the Union was nearly annihilated, still preserved there a languid existence, through the permission or connivance of the enemy. These circumstances could not fail to enable the banks in the eastern States to continue specie payments longer than those in the middle, southern, and western States. In an effort to preserve their credit, they would, inevitably, be the last which would fall. In such a struggle, however, they must have failed, had not the circulation of the paper of their weaker neighbors, and the issues of Treasury notes, come to their aid. But for this adventitious assistance, wholly unconnected with the wisdom and foresight of their directors, specie payments must have been suspended there, or the best interests of the community have been sacrificed. From that period, until the resumption of specie payments in the early part of 1817, Treasury notes, and the notes of the banks which had suspended payment, formed the great mass of the circulation in the eastern part of the Union. Specie, or the notes of banks which continued to pay specie, formed no part of the receipts of the Government in Boston, and the districts east of that town, until about the close of the year 1816.

In all great exigencies, which, in the course of human events, may be expected to arise in every nation, the suspension of payment by banks, where the circulation consists principally of bank notes, is one of the evils which ought to be considered as the inevitable consequence of their establishment. Even in countries where paper does not form the principal part of the circulation, such an event will sometimes happen. In the year 1797, when the restriction was imposed upon the Bank of England, the average of its circulation for several successive years was about £10,000,000 sterling, whilst the metallic currency was estimated at £30,000,000. Yet, in that country, whose trade in time of war, through the protection of its fleets, was rather expanded than contracted, it was found necessary to authorize the bank to suspend payment; which suspension, after a lapse of twenty-three years, still continues. When the existence of banks depends upon the authority which regulates the currency, it may be practicable to impose salutary checks against excessive issues of paper during suspension; and, in some degree, to guard against an excessive depreciation of the currency. But, where these institutions are created by an authority having no power to regulate the currency, and especially where they are created by a great variety of authorities independent of each other, and practically incapable of acting in concert, it is manifest that no such checks or restraints can be imposed. It is impossible to imagine a currency more vicious than that which depends upon the will of nearly four hundred banks, entirely independent of each other, when released from all restraint against excessive issues. By the term *currency*, the issue of paper by Government, as a financial resource, is excluded. Even such an issue, in a state where the reign of law is firmly established, and public opinion controls the public councils, would be preferable to a currency similar to that which existed in some parts of the United States during the general suspension, and which now exists in some of the States. This truth has been practically demonstrated by the redemption of the whole of the Treasury notes issued during the war, within the short space of about two years after the peace; whilst a large amount of bank notes, issued during the suspension, are yet unredeemed, and greatly depreciated.

There can be no doubt that a metallic currency, connected with a paper circulation, convertible into specie, and not exceeding the demand for the facile transmission of money, is the most convenient that can be devised. When the paper circulation exceeds that demand, the metallic currency to the amount of the excess will be exported, and a liability to sudden fluctuations to the same extent will be produced.

If banks were established only in the principal commercial cities of each State; if they were restrained from the issue of notes of small denominations; if they should retain an absolute control over one-half of their capital, and the whole of the credit which they employ, by discounting to that amount nothing but transaction paper payable at short dates, the credit and stability of the banks would, at least, be unquestionable. Their notes could always be redeemed in specie on demand. The remaining part of their capital might be advanced upon long credits to manufacturers, and even to agriculturists, without the danger of being under the necessity of calling upon such debtors to contribute to their relief, if emergencies should occur. Such debtors are, in fact, unable to meet sudden exigencies, and ought never to accept of advances from banks, but upon long credits, for which timely provision may be made. The latter class, of all others, is the least qualified to meet the sudden demands which a pressure upon banks compels them to make upon their debtors. The returns of capital invested in agriculture are too slow and distant to justify engagements with banks, except upon long credits. If the payment of the principal should be demanded at other periods than those at which the husbandman receives the annual reward of his toil, the distress which would result from the exaction would greatly outweigh any benefit which was anticipated from the loan. That the establishment of banks, in agricultural districts, has greatly improved the general appearance of the country, is not denied. Comfortable mansions and spacious barns have been erected; lands have been cleared and reduced to cultivation; farms have been stocked, and rendered more productive, by the aid of bank credits. But these improvements will eventutually be found, in most cases, to effect the ruin of the proprietor. The farm, with its improvements, will frequently prove unequal to the discharge of the debts incurred in its embellishment. Such, in fact, is the actual or apprehended state of things, wherever banks have been established in the small inland towns and villages. Poverty and distress are impending over the heads of most of those who have attempted to improve their farms by the aid of bank credits. So general is this distress, that the principal attention of the State Legislatures, where the evil exists, is, at this moment, directed to the adoption of measures calculated to rescue their fellow-citizens from the inevitable effects of their own indiscretion. If, in affording a shield to the debtor against the legal demand of his creditor, the axe shall be applied to the root of the evil, by the annihilation of banks where they ought never to have existed, the interference, however doubtful in point of policy or principle, may eventually be productive of more good than evil.

The general system of credit, which has been introduced through the agency of banks, brought home to every man's door, has produced a factitious state of things, extremely adverse to the sober, frugal, and industrious habits which ought to be cherished in a republic. In the place of these virtues, extravagance, idleness, and the spirit of gambling adventure have been engendered and fostered by our institutions. So far as these evils have been produced by the establishment of banks where they are not required, by the omission to impose upon them wholesome restraints, and by the ignorance or misconduct of those who have been intrusted with their direction, they are believed to be beyond the control of the Federal Government. Since the resumption of specie payments, measures have been adopted in some of the States to enforce their continuance; in others, the evil has been left to the correction of public opinion. There is, however, some reason to apprehend that the authority of law may be interposed in support of the circulation of notes not convertible into specie.

But the Federal Government has, by its measures, in some degree, contributed to the spirit of speculation and of adventurous enterprise, which, at this moment, so strongly characterize the citizens of this republic. The system of credit, which, in the infancy of our commerce, was indispensable to its prosperity, if not to its existence, has been extended at a period when the dictates of sound discretion seemed to require that it should be shortened. The credit given upon the sale of the national domain has diffused this spirit of speculation and of inordinate enterprise among the great mass of our citizens. The public lands are purchased, and splendid towns erected upon them, with bank credits. Every thing is artificial. The rich inhabitant of the commercial cities, and the tenant of the forests, differ only in the object of their pursuit. Whether commerce, splendid mansions, or public lands, be the object of desire, the means by which the gratification is to be secured are bank credits.

This state of things is no less unfriendly to the duration of our republican institutions than it is adverse to the development of our national energies, when great emergencies shall arise; for, upon such occasions, the attention of the citizen will be directed to the preservation of his property from the grasp of his creditors, instead of being devoted to the defence of his country. Instead of being able to pay with promptitude the contributions necessary to the preservation of the state, he will be induced to claim the interference of the Government to protect him against the effects of his folly and extravagance.

This ought not to be the condition of a republic, when menaced by foreign force or domestic commotion. Such, it is apprehended, will be the condition of the United States, if the course which has been pursued since the commencement of the late war is not abandoned. Since that period, it is believed the number of banks in the United States has been more than doubled. They have been established in the little inland towns and villages, and have brought distress and ruin upon the inhabitants. When the cause and the extent of the evil are known, no doubt is entertained that the appropriate remedies will be applied by those who, in our complex form of government, are invested with the necessary authority.

But the resolution requires the Secretary of the Treasury "to report such measures as, in his opinion, may be expedient to procure, and retain, a sufficient quantity of gold and silver coin in the United States."

It has already been suggested, that, if the currency was purely metallic, or connected with paper convertible into specie, to the extent only of the demand for the transmission of money, the United States would retain that proportion of the precious metals which the value of their exchangeable commodities bore to those of other states. But if paper can be made to circulate independent of its employment in the transmission of funds, gold and silver, to the same extent, will be exported. If paper will be received and employed generally as the medium of exchange, and especially if it is issued in bills of small denominations, the amount of specie which will be exported will be great in proportion to the paper in circulation. If this position be correct, the power of Congress will be insufficient to retain any considerable portion of gold and silver in the United States. Bank notes, from one dollar to those of large denominations, have circulated, and it is presumed will continue to circulate, independent of its authority. As long as bank notes will be received as a substitute for specie, the quantity of specie necessary for currency will be small, and may be easily retained without the aid of Government. But the demand for specie, where the circulation is principally paper, is extremely fluctuating. When there is but little or no demand for it, the temptation to increase their discounts, by the issue of more paper, is too strong to be resisted by banks. When a demand for specie arises, the currency has to be suddenly diminished by the contraction of their discounts. Fluctuation in the amount of the currency, produced by this means, is the principal mischief to be remedied. These fluctuations will frequently occur in every state where the currency is principally paper convertible into coin. In the United States, where the specie exported as a primary article of commerce to the East Indies and to China bears so large a proportion to the metallic currency of the country, they must not only be more frequent than in states where no such commerce exists, but more extensive in their effects. The demand created for Spanish milled dollars, by the exportation of specie, in the prosecution of this trade, has, without doubt, caused their importation to an extent which otherwise would not have occurred. As this demand is, in some degree, contingent, the supply will also be contingent. When it exceeds the demand, the banks will be tempted to new issues of paper. When it is deficient, the deficiency will be drawn from the banks, and will cause a sudden diminution of the currency. If this diminution could be limited to the amount of the deficiency thus drawn from the banks, the evil would be no greater than if the currency were metallic. But this is not the fact. When the paper circulation is returned upon the banks for specie, prudence requires that an effort should be made to preserve the same proportion between the specie in their vaults and their notes in circulation, as existed at the moment the pressure commenced. If the paper in circulation should be three times the amount of specie in the possession of the banks, a demand upon them for $1,000,000 of specie would produce a diminution of $3,000,000 in the currency, if the specie should be exported, and of $2,000,000 if it remained in the country. It is even probable that the comparative diminution would exceed this ratio. As the demand increased, apprehensions would be excited for the credit of the banks; the exertions produced by that apprehension would correspond with the magnitude of the evil to be avoided, rather than with the positive pressure. This, it is presumed, would be the effect of such an emergency, where banks had not become familiarized with bankruptcy, and were not countenanced by society in a course of conduct which, in private life, would be considered dishonest.

If, by any constitutional exercise of the power of Congress, banks can be restrained, first, from issuing notes of small denominations; and secondly, from excessive issues, when their notes are not returned upon them for specie; fluctuations in the currency, to an extent to derange the interests of society, may be prevented. But if the imposition of these restraints are not within the constitutional powers of Congress, the evils which have been suffered for the want of those restraints must continue, until the present system of banking shall be abandoned.

In an inquiry into the state of the currency, the consideration of the coinage is necessarily involved. The principles upon which the coinage of the United States has been established are substantially correct. The standard fineness of the gold coinage corresponds with the coinage of England and Portugal. The standard of the silver coinage differs but little from that of Spain. The American dollar is intrinsically worth about one per cent. less than the Spanish milled dollar. This difference, if the Spanish dollar had not been made a legal tender, might have secured to the nation a more permanent use of its silver coinage. American dollars would not be exported, as long as Spanish dollars could be obtained for that purpose, at a reasonable premium. If this latter coin was not a legal tender, the banks might afford to import it, and might sell, at a fair premium, the amount which might be required of them for the China and East India trade.

The relative value of gold and silver has been differently established in different nations. It has been different in the same nation at different periods. In England, an ounce of gold is equal in value to about 15.2 ounces of silver; in France, it is equal to 15.5; and in Spain and Portugal, to 16 ounces. In the United States, an ounce of gold is equal to 15 ounces of silver. But the relative value of these metals in the markets frequently differs from that assigned to them by the laws of the different civilized states. It is believed that gold, when compared with silver, has been for many years appreciating in value; and now everywhere commands in the money markets a higher value than that which has been assigned to it in states where its relative value is greatest. If this be correct, no injustice will result from a change in the relative legal value of gold and silver, so as to make it correspond with their relative marketable value. If gold, in relation to silver, should be raised five per cent., one ounce of it would be equal to 15.75 or $15\frac{3}{4}$ ounces of pure silver. This augmentation in its value would cause it to be imported in quantities sufficient to perform all the functions of currency. As it is not used to any considerable extent as a primary article of commerce, the fluctuations to which the silver currency is subject from that cause would not affect it. It would be exported only when the rate of exchange against the country should exceed the expense of exportation. In ordinary circumstances, such a state of exchange would not be of long continuance. If the currency of the United States must, of necessity, continue to be paper convertible into specie, an increase of the gold coinage, upon principles which shall afford the least inducement to exportation, is probably the most wholesome corrective that can be applied, after the rigid enforcement of that convertibility.

The copper coinage is believed to be susceptible of improvement. Copper itself is too massive to serve the purposes of change. One hundred cents are too cumbrous to be carried, and used in the numberless transactions which daily occur between individuals. Coin, compounded of silver and copper, of from one to ten cents, would be much more suitable for that object. This kind of coinage has been adopted in other countries with great advantage.

It has, however, been objected to this coinage—

1. That, as compounded metals are much harder than the component ingredients, it would be difficult, and consequently expensive, to work.

2. That the coin itself would be of little or no intrinsic value; copper or brass being of superior value in the manufactures to which it might be applied: and that the public would scarcely submit to the circulation of a coin so worthless.

3. That it might be counterfeited by a composition of zinc and copper.

After giving to these objections their due weight, it is believed that a change of this nature, in the copper coinage, would be beneficial. Although the expense of such a coinage should be twice as much as that of an equal number of silver coin, still it might be advantageous. Small change, both of silver and copper, may be abundant in Philadelphia, the seat of the mint; but it is not generally so elsewhere. If it were, tickets of $6\frac{1}{4}$, 10, $12\frac{1}{2}$, 25, and 50 cents, issued by mayors and corporation officers, and dollar bills torn in two pieces, for the purposes of change, would not be employed for that purpose. This single fact is an answer to the second objection. The fractional parts of a dollar are so indispensable in the transactions of individuals, that any thing which assumes that character will be employed. If the tickets, which, at this moment, form so great a portion of the change of this city, and of various other places, are employed for that purpose, it is inconceivable that the community should refuse to permit a compound coin of silver and copper to circulate, containing the intrinsic value which it represents, merely because for manufactures it will not be worth more than brass or copper, and that the expense of refining will be equal to the value of the silver. Change—that is, the fractional parts of a dollar—is so indispensable to the community, that its inapplicability to manufactures, and its exemption from liability to exportation, instead of forming objections, are recommendations in its favor.

The objection that this coin may be easily counterfeited, is, if it cannot be obviated, entitled to great consideration. As has been before stated, this compound coinage has been successfully practised in other states. If compound metals are much harder than their component ingredients, may not a sufficient security against counterfeiting be derived from that circumstance? The dimensions and power of the machinery, which constitute one of the objections to the coinage, will render it extremely difficult to secure that secrecy and concealment which are indispensable to the success of the counterfeiter. If this compound coinage should not be carried higher than ten cent or dime pieces, the inducement, compared with the danger of detection, resulting from the magnitude of the machinery, would not, it is believed, be sufficient to encourage counterfeiting. If, however, it should be deemed impracticable to guard against this evil, in a coinage composed of silver and copper, an attempt might be made to obtain a supply of small change, by a mixture of silver and zinc: the danger of counterfeiting would then be removed.

As various plans have been suggested during the last twelve months, for alleviating the general distress which has prevailed, by the emission of a large amount of Treasury notes, a few observations on that subject will close this part of the report.

If Treasury notes are to be issued for this purpose, they will be either receivable in all payments to the Government, or they will be made redeemable at a fixed period.

1. If they are made receivable in all payments to the Government, the revenue will, from the time that $5,000,000 are issued, be substantially received in them. The Government will be immediately unable to pay the interest and reimbursement of the public debt in specie, as it becomes due. These notes, when compared with the notes of the Bank of the United States, will be at a discount. The latter notes, independently of their being everywhere receivable in all payments to the Government, are convertible, at the place of their issue, into specie. They are equal to the Treasury notes in payment of the revenue, and superior to them, as they can command specie when the holder shall desire it.

If the 14th section of the bank charter was modified, so that the notes of the bank and of its offices should be receivable by the Government only when tendered where they are made payable, a small amount of Treasury notes might be issued, and circulated, without depreciation. In that case, they would be used for the transmission of money, and would be in constant demand for that purpose. It is the reception of the notes of the Bank of the United States, and its offices, by the Government, wherever they are tendered, that causes them to be considered as a good remittance throughout the United States. If they should cease to be so received, a demand for Treasury notes to a small amount, for the transmission of money, would be created, and would preserve them from depreciation. If the notes thus issued should be made redeemable at the Treasury in specie, upon demand, the amount which might be put and retained in circulation would probably exceed, to a considerable extent, the sum demanded for the facile transmission of money. Such Treasury notes would, however, have no advantage over the notes of the Bank of the United States, as long as they are receivable in all payments to the United States, without reference to the place where they are payable. It is even probable that they would not be of equal value and currency with those notes, as the latter would generally be made payable in the principal commercial cities, where remittances are continually made, whilst the Treasury notes would be payable only at this place. If Treasury notes, payable in specie, on demand, when presented at this place, should be preferred to the notes of the Bank of the United States, it would be in consequence of the abuses which have been practised by banking institutions, which have, in some degree, shaken the public confidence in the integrity of their direction.

2. If Treasury notes were to be issued, not receivable in payments to the Government, but redeemable at a fixed period, they would immediately depreciate, unless they bore nearly six per cent. interest. In the latter case, they would be of little more use, as currency, than the funded debt. They would not perform the functions of money.

3. In any case whatever, whether they are receivable in payments to the Government, or bear an interest, and are redeemable at a fixed period, they will afford no substantial relief where the distress is greatest, unless they should be advanced as a loan in order to alleviate that distress. If they are to be issued from the Treasury, in discharge of the demands upon the Government, they would never reach those sections of country where relief is most required. *There* the Government already collects more than can be expended. One of the causes of this distress is the necessity of transferring the public funds from those sections, for the purpose of being expended, to those where there is no deficiency of currency.

As a financial resource, the issue of Treasury notes is justifiable only where the deficiency which they are intended to supply is small in amount and temporary in its nature. As a measure of alleviation, it will be more likely to do harm than good. If a sufficient amount of those notes, of any description whatever, should be issued, and put into circulation where they are most wanted, unless they were given away, a debt in that part of the Union would be contracted to the extent of the issue. It might enable the borrowers to pay debts previously contracted, but their relative situation would be the same. Unless the currency became vitiated by the relief which was afforded, the ultimate payment of the debt would consummate the ruin which the measure was intended to prevent. But it is probable that the sums which might be advanced, by way of loan, would, in a great degree, be lost. The Government is not, from its nature, qualified for operations of this kind. The general system of credit which has been introduced by the agency of banks, and by the inevitable effect of the measures of the General Government, has produced an artificial state of things, which requires repression rather than extension. The issue of Treasury notes, for the purpose of alleviating the general distress, would tend to increase this unnatural and forced state of things, and give to it a duration which it would otherwise never attain. If much of the evil resulting from a decreasing currency had not already been suffered, there might be some plausible reason for urging the issue of Treasury notes as a measure of alleviation. This ground cannot be urged in its favor; it is, therefore, indefensible, upon the ground of expediency, as well as of principle.

The last member of the resolution assumes, by implication, the practicability of substituting, by the constitutional exercise of the powers of Congress, a paper currency for that which now exists.

In considering this proposition, the power of Congress over the currency of the United States cannot, consistently with the respect which is due to that body, be either affirmed or denied. It cannot be supposed that the House of Representatives, in adopting the resolution in question, intended, through the agency of an executive department of the Government, to institute an inquiry as to the extent of the constitutional authority of a body of which it is only a constituent member. Yet it will necessarily occur to the House, that if the power of Congress over the currency is not absolutely sovereign, the inquiry, whatever may be its immediate result, must be without any ultimate utility. The general prosperity will not be advanced, by demonstrating that there is no intrinsic obstacle to the substitution of a paper for a metallic currency, if the power to adopt the substitute has been withheld from the Federal Government. Without offering an opinion upon the weight to which these views would have been entitled, had they been urged whilst the resolution was under consideration, it is admitted that they furnish no ground for declining the performance of the duty imposed by its adoption. In the discussion of a question of so much delicacy and importance, the utmost confidence is reposed in the justice and liberality of those who have rendered it indispensable.

At the threshold of this inquiry, it is proper to observe, that it is deemed unnecessary to present an analysis of the motives which led, even in the most remote antiquity, to the general adoption, by civilized states, of gold and silver as the standard of value, or of the advantages which have resulted from that adoption. The circumstance to which, in the course of this investigation, it will be necessary to advert, is the tendency which a metallic currency has to preserve a greater uniformity of value than any other commodity; and the facility with which it returns to that value, whenever by any temporary causes, that uniformity has been interrupted. No argument will, in this place, be offered in support of this proposition. It is founded in the experience of all nations. Its truth, for the present, will, therefore, be assumed. But the proposition itself admits that gold and silver, when employed by the consent of all civilized states as the standard of value, are subject to temporary variations of value. It is equally true that they are subject to permanent variations. The cause and effect of these changes will be considered previously to the discussion of the practicability of substituting a paper for a metallic currency.

1st. When, by any circumstance whatsoever, a greater portion of these metals is found in a particular state than is possessed by other states having articles of equal value to be exchanged, they will, in such state, be of less value than in the adjacent states. This will be manifested by an increase in the price of the commodities of such state. This increase of price will continue until the metallic redundancy is exported, or converted into manufactures. Whenever this redundancy is disposed of, the currency will return to its former value; and the price of other commodities will be regulated by that value.

2d. But the exportation of specie may take place where there is no such redundancy. This occurs whenever the general balance of trade continues, for some time, unfavorable to a particular state. The currency then appreciates in value, and the price of all other commodities in such state is diminished. As commerce is nothing more than the exchange of equivalents, the reduction in the price of the articles of such state, and the increased value of the currency, will promptly produce a reaction; and gold and silver will soon return in the quantities required to reduce their value to that which they maintain in the adjacent states. With the return of specie, all other articles will return to the prices which they commanded before its exportation. Like fluids, the precious metals, so long as they are employed as the general measure of value, will constantly tend to preserve a common level. Every variation from it will be promptly corrected, without the intervention of human laws. These fluctuations, being temporary in their nature, are wholly independent of the permanent causes which may affect the value of gold and silver, when employed as the general standard of value. They will equally occur, whether the quantity of these metals, compared with the exchanges which they are destined to effect, be redundant or deficient. The limits, however, within which these fluctuations are confined, are so contracted that the great interests of society cannot be seriously affected by them. But this observation must be understood to apply to a currency purely metallic, or, at least, when the paper which is connected with it does not exceed the demand for the convenient transmission of money.

3d. Gold and silver, when employed by the common consent of nations as the standard of value, are subject to variations in value, from permanent causes. When their quantity is increased more rapidly than the articles which are to be exchanged through their agency, their price will fall; or, what amounts to the same thing, the price of all exchangeable articles will rise. It has been admitted by all intelligent writers upon this subject, that, immediately after the discovery of America, towards the close of the fifteenth century, a sudden and extensive depreciation in the value of these metals occurred; and that, from that time to the close of the eighteenth century, they continued gradually to depreciate. This depreciation, it is believed, has been accelerated during the last century, as much by the substitution of paper for specie, as by the increase in the quantity of those metals during that period, beyond the demand which would have existed for them, as currency, had that substitution not taken place. The precise effect upon the depreciation of these metals, produced by the partial substitution of paper, in various countries, for a metallic currency, will not now be inquired into; but it is generally conceded, that the depreciation has been more rapid since that substitution than at any former period; except when the accumulated stock of ages in the new world was brought into Christendom, and thence distributed into every other region where gold and silver were in demand. Since the close of the last century, doubts have existed whether those metals, even when employed as currency, have not appreciated in value; and it is contended, by the advocates of a paper currency, that this appreciation will probably continue through a long succession of years, and seriously affect all the operations of the civilized world. It is maintained by these writers, *that* the demand for currency, at present, throughout the world, is greater than the supply which the existing quantity of the precious metals will afford, without materially depressing the price of all the objects of human industry and human desires. When it is recollected that production is regulated by demand, and that both are directly affected by the quantity of currency compared with the quantity of articles to be exchanged, it is readily perceived that an increase in the currency of the world, by the substitution of paper, even when convertible into coin, will increase the quantity of exchangeable commodities in the world beyond what would have existed had such increase of currency not taken place. Under such circumstances, a sudden reduction of the currency, by the rejection of the paper which had been employed, could not fail to derange all the relations of society, by diminishing the quantity of currency, whilst the articles to be exchanged through its agency would suffer no such diminution. An immediate depression in the price of all commodities would be the inevitable consequence of an unqualified return to a metallic currency, upon the supposition that the quantity of gold and silver annually produced should remain undiminished. But, if this return to a metallic currency should be attempted at a period when the annual product of these metals, either from temporary or permanent causes, should have considerably decreased, all the great interests of society would be most seriously disordered; property of every description would rapidly fall in value; the relations between creditor and debtor would be violently and suddenly changed. This change would be greatly to the injury of the debtor; the property which would be necessary to discharge his debts, would exceed that which he had received from his creditor; the one would be ruined without the imputation of crime, whilst the other would be enriched without the semblance of merit. Until the engagements existing at the moment of such a change are discharged, and the price of labor and of commodities is reduced to the proportion which it must bear to the quantity of currency employed as the medium of their exchange, enterprise of every kind will be repressed, and misery and distress universally prevail. When this shall be effected, the relations of society, founded upon a new basis, will be equitable and just, and tend to promote and secure the general prosperity.

Such, it is contended by the advocates of a paper currency, are the circumstances under which the principal states of Europe are endeavoring to return to a metallic currency. For a century past, the currency of those states has been greatly increased by the employment of paper, founded, it is true, originally upon a metallic basis. During the last twenty years, this paper has ceased to be convertible into specie; and, as no systematic effort has been made to prevent excessive issues, it has become redundant, and consequently depreciated. Notwithstanding this depreciation, the productions of those countries, it is believed, have more rapidly increased, than those of countries where a metallic currency has been preserved. The first efforts that are seriously made by those states to return to a metallic currency, will be the repression of enterprise of every description among themselves. It will be foreseen that the currency must appreciate, and that all other articles must depreciate in value. The effects of this appreciation of money will be first manifested in those states by the fall of the price of all articles which cannot be exported. In the progress of these measures, the price of the exportable articles will also be affected, by the reduction in the currency employed in effecting their exchange. It is even probable that the quantity of exchangeable articles will be diminished. Whilst the appreciation of the currency is perceptibly advancing, the manufacturer will not hazard his capital in producing articles, the price of which is rapidly declining. The merchant will abstain from purchasing, under the apprehension of a further reduction of price, and of the difficulty of revending at a profit. It is even probable that the interest of money will fall, whilst the cry of a scarcity of money will be incessant. Under such circumstances, loans will not be required, except to meet debts of immediate urgency. None will be demanded for the prosecution of enterprises by which the productive energies of the community will be increased.

As the measures which have been adopted by England, and several of the continental states of Europe, for returning to a metallic currency, advance, the interests of those states which have adhered to it will be affected. Whilst gold and silver were, in the former states, dispensed with as coin, they were sought for merely as commodities. The quantity necessary for their manufactures was readily obtained, without deranging, in any serious degree, the currency of other states.

It has been estimated that from eighty to one hundred and twenty millions of dollars were necessary to England. Taking the mean sum, and admitting that the other European states engaged in the same effort require an equal amount, a supply of two hundred millions of dollars is necessary. The commencement of the measures necessary to obtain that portion of this sum, which cannot, in a short time, be drawn from the annual product of the mines, may not be immediately felt by other states. But, when these measures approach their completion; when a large quantity of gold and silver is necessarily withdrawn from the currency of other states, the price of specie will, in the latter, appreciate, and the price of all commodities will decline. All the evils incident to an appreciating currency will be felt in those states, though in a less degree than where a paper currency had been exclusively adopted. The example presented by the return to a metallic currency in France, even in the midst of a revolution, which probably had some influence upon the decision of this question by other states, is believed to be, in no degree, analogous in its principal circumstances. At the precise period that this change was operating, England, and the principal continental states, abandoned the precious metals as currency. The supply demanded by France was not only at hand, but was seeking the very employment which that change had made indispensable. At the same time, immense sums were brought into France by her conquering armies, which, being raised by military contributions, had, in some degree, rendered a resort to paper currency in the invaded states necessary. At present, the civilized world is at peace, and each state is endeavoring, by systematic measures, to secure to itself a just participation of the benefits of equal and reciprocal commerce. The states which are now attempting to return to a metallic currency, will find much greater difficulty in effecting this change than was experienced by France.

The demand for gold and silver, as the medium of exchange, cannot be supplied until the price of all exchangeable articles has fallen in proportion to the reduction of the currency, which the abandonment of paper must produce. It is even probable, as has been before suggested, that, after the price of commodities and of labor shall have fallen so as to bear a just proportion to the currency which is to be employed in effecting the necessary exchanges, the currency will continue gradually to appreciate. This, however, is matter of conjecture. It depends entirely upon the fact, whether the annual produce of the mines, after furnishing the quantity necessary for the consumption of the precious metals in manufactures, will be equal to the increased demand for currency, arising from the increase of exchangeable commodities throughout the world. The great advancement in the arts and sciences—the rapid improvement in machinery—which characterize the present age, acting through a long succession of ages, cannot fail to augment, in an astonishing degree, all the products of human industry.

It may, however, be urged, that the same improvements will augment, in an equal degree, the product of the mines; and that, therefore, the quantity of the precious metals in the world will continue to bear, to other commodities, the same relation which they may assume when the return to a metallic currency is effected. This may be true; but, so far as it depends upon the general principle, that the supply of all articles is regulated by the demand, there is reasonable ground of doubt. The maxim, although good as a general rule, admits of exceptions. A demand beyond the supply, increases the price of the thing demanded, and invites to the investment of additional capital in its production. But, when the article demanded is to be produced from a material which no investment of capital, no application of skill, can augment, the only effect of such investment and application is to produce the most which the material has the capacity to furnish. Such, in fact, is the case of gold and silver. The material from which they are made is limited in quantity, which neither capital nor skill can augment. It is probable that the improvements in machinery, and the art of refining, will be counterbalanced by the exhaustion of the mines, or the difficulty of working them, arising from the depth and extent of their excavations. It is therefore possible that the demand for the precious metals, for currency and for manufactures, may exceed the production of the mines.

Previously to entering upon the immediate discussion of the practicability of substituting a paper for a metallic currency, it is proper to observe, that gold and silver derive part of the uniformity of value which has been ascribed to them from the general consent of civilized states to employ them as the standard of value. Should they cease to be used for that purpose, they would become more variable in their value, and would be regulated, like all other articles, by the demand for them, compared with the supply in any given market. It is presumed, that, if they should cease to be employed as the standard of value by several states, their uniformity of value would be in some degree affected, not only in those states where they were considered as mere commodities, but in those where they were still employed as currency. Whenever, as commodities, they should rise in value, a drain would take place from the currency of other states; and when they should fall in value, as commodities, they would seek employment as currency, and render in some degree redundant the currency of the states where they are employed. After making due allowance for the depreciation of bank notes in England from the time of the bank restriction, in 1797, to the present period, the price of gold and silver in that country is believed to have varied more than at any former period. Their price, when compared with bank notes, from the year 1797 to 1808, showed but a slight degree of depreciation; considerably less, in all human probability, than actually existed. During that interval, the demand for those metals was limited, in England, to the sum required for manufactures. It is highly probable, that, if the quantity of the paper circulation had been reduced to the amount of the currency in circulation at the time, or for one year before the restriction, the price of bullion would have been below the mint price. On the contrary, in the year 1808, when the employment of a British force in Spain created a sudden demand for specie, the depreciation of bank notes, indicated by the price of bullion, was probably greater than that which really existed. In the year 1814, after the treaty of Paris, the price of bullion, estimated in bank paper, was not above the mint price; whilst in the succeeding year it rose to more than twenty per cent. above that price: the amount of bank notes in circulation at the former, exceeding, in a small degree, that of the latter period. It is impossible that these variations in the price of gold and silver, in the short space of one year, can be entirely chargeable to the depreciation of bank notes. The effect which these variations, in a great commercial state, where the precious metals were considered only as commodities, were calculated to produce upon the currency of the neighboring states, has not been ascertained. The convulsions to which most of these states were subject during that period may account or the want of sufficient data to elucidate the subject. It is, however, highly improbable that these fluctuations were not sensibly felt by them.

Having considered the nature and extent of the variations in value to which a metallic currency is necessarily subject, it remains to examine whether it is practicable to devise a system by which a paper currency may be employed as the standard of value, with sufficient security against variations in its value, and with the same certainty of its recovering that value, when, from any cause, such variation shall have been produced. It is distinctly admitted that no such paper currency has ever existed. Where the experiment has been made directly by Government, excessive issues have quickly ensued, and depreciation has been the immediate consequence. Where the experiment has been attempted through the agency of banks, it has invariably failed. In both cases, instead of being used as a mean of supplying a cheap and stable currency, invariably regulated by the demand, for effecting the exchanges required by the wants and convenience of society, it has been employed as a financial resource, or made the instrument of unrestrained cupidity. In no case has any attempt been made to determine the principles upon which such a currency, to be stable, must be founded. Instead of salutary restraints being imposed upon the moneyed institutions which have been employed, the vital principle of whose being is gain, they have not simply been left to the guidance of their own cupidity, but have been stimulated to excessive issues, to supply deficiencies in the public revenue. This is known to have been the case, in an eminent degree, in the experiment which has been attended with most success. The issues of the Bank of England, on account of the Government, were frequently so great as to destroy the demand for discounts by individuals. In consequence of these excessive issues, the interest of money fell below five per cent., the rate at which the bank discounted; the demand for discounts at the bank therefore ceased. It is, indeed, not surprising that no systematic effort has been made to restrain excessive issues. In the case of banks, the experiments which have been made were intended to be temporary; they were the result of great and sudden pressure, which left but little leisure for the examination of a subject so abstruse. The employment of a paper circulation, convertible into specie, (the favorite system of modern states,) having, as has been attempted to be shown in a previous part of this report, the inevitable tendency to produce the necessity of resorting in every national emergency to paper not so convertible, imposes upon those who are called to administer the affairs of nations the duty of thoroughly examining the subject, with a view, if practicable, to avoid that necessity. If the examination does not result in the establishment of a paper currency, unconnected with specie, it may lead to the imposition of salutary checks against excessive issues, when the necessity of suspending payment may occur.

It has already been said that every attempt which has been made to introduce a paper currency has failed. It may also be said, that of all the systems during the discussion of this interesting subject, both in Europe and the United States, which have been proposed, none are free from objections. It is possible that no system can be devised which will be entirely free from objection. To insure the possibility of employing such a currency with advantage, it is necessary—

1. That the power of the Government over the currency be absolutely sovereign.
2. That its stability be above suspicion.
3. That its justice, morality, and intelligence, be unquestionable.

4. That the issue of the currency be made not only to depend upon the demand for it, but that an equivalent be actually received.

5. That an equivalent can only be found in the delivery of an equal amount of gold or silver, or of public stock.

6. That whenever, from any cause, it may become redundant, it may be funded at an interest a fraction below that which was surrendered at its issue.

1. This proposition needs no elucidation. Coinage, and the regulation of money, have in all nations been considered one of the highest acts of sovereignty. It may well be doubted, however, whether a sovereign power over the coinage necessarily gives the right to establish a paper currency. The power to establish such a currency ought not only to be unquestionable, but unquestioned. Any doubt of the legality of the exercise of such an authority could not fail to mar any system which human ingenuity could devise.

2. A metallic currency, having an intrinsic value, independent of that which is given to it by the sovereign authority, does not depend upon the stability of the Government for its value. Revolutions may arise; insurrections may menace the existence of the Government: a metallic currency rises in value under such circumstances; it becomes more valuable compared with every species of property, whether moveable or immoveable, in proportion to the instability of the Government. Not so with a paper currency; its credit depends in a great degree upon the confidence reposed in the stability of the authority by which it was issued. Should that authority be overthrown by foreign force or intestine commotion, an immediate depreciation, if not an absolute annihilation of its value, would ensue.

3. It might, however, be saved from such destruction by a well-grounded confidence in the justice and intelligence of the Government which should succeed that which had been overthrown. The history of modern times furnishes examples that are calculated to inspire this confidence. In France, during the revolution which has just terminated, the public debt was reduced to one third of its amount. The same rule was applied to the public debt of the Dutch republic, when it fell under French domination. In the successive political changes to which France has since that period been subjected, the public debt and the public engagements have been maintained with the strictest good faith. In Holland, that portion of the public debt which had been abolished by the French Government has been restored. In the opinion of well-informed men, however, the conditions connected with that restoration were so onerous as to render it almost nominal. Indeed, the public debt in that country had become so disproportionate to the means of the nation when deprived of the resources it enjoyed when the debt was contracted, that the reduction which it underwent while the country was annexed to the French empire was not generally considered an evil. The reduction of the national debt of France during the revolution was perhaps equally indispensable. If the intelligence of the age, and the influence of public opinion, even in states where the reign of law was but imperfectly established, have been sufficient to induce the Governments which have alternately succeeded each other for the last twenty-five years, in France and Holland, to respect the public engagements which had been previously contracted, well-grounded expectations may be cherished that the period is rapidly passing away when the public faith of nations can be violated with impunity.

If public engagements, under such circumstances, have been considered obligatory upon those who have successively administered the affairs of those nations, a reasonable confidence may be reposed in the fulfilment of the obligations which may be contracted by existing Governments, where the reign of law is firmly established. It is not denied that a paper currency furnishes strong temptations to abuse. Millions may be issued in a few days, and the deficiencies in the revenue promptly supplied, if the condition of receiving an equivalent is abandoned. The moment the currency shall be issued as a financial resource, depreciation will follow, and all the relations of society will be disturbed. If the Government of the nation in which a paper currency has been established shall be deeply impressed with this truth, will it not be restrained from the apprehended abuse? Currency of every kind is liable to great abuses. The history of the coinage of every nation, whose annals are known, is little more than a detail of the frauds which have been practised by Governments upon the people. Until the twentieth year of the reign of Edward III. of England, a pound troy of silver of standard fineness, and a pound sterling, were synonymous terms: twenty shillings sterling being, in fact, a pound troy of standard silver. Change followed change in rapid succession, until, in the reign of Elizabeth, a pound troy of standard silver was directed to be coined into sixty-two shillings. This immense change in the value of the currency was effected in the space of about two centuries. In other modern states, during the same period, changes not less important occurred in the coinage. Frequently these changes were effected by deteriorating the standard fineness of the coin. For more than a century past, the coinage of the civilized world has undergone no material change, with a view to the practice of fraud upon the people. Whether this forbearance is to be attributed to an improvement in the morality of modern Governments, or to a more correct understanding of the principles of currency, and of the consequences that must result from every change by which the relations of the society are affected, it furnishes just ground of expectation that they will not hereafter be attempted. Nothing more is necessary to secure an unalterable adherence to the maxims upon which it is manifestly necessary that a paper currency must be founded, in order to preserve a uniformity of value, than the same morality and the same intelligence. Without assuming the principle of the perfectibility of human nature, the hope may be indulged, that the nature of currency will continue to command the attention of statesmen, and that the abuses which have resulted from improper changes in the currency will not again occur in the same degree.

4. When the currency is metallic, no addition can be made to it without giving an equivalent. It is indispensable that this condition should be annexed to the acquisition of the paper currency, preliminary to its entering into circulation. If it can be put in circulation only on paying its nominal amount in that which has a general and fixed value, determined by the consent of other nations, it will continue to preserve that value during the time it circulates, unless the relation which it bore at the time of its issue to the quantity of articles, the exchanges of which it is destined to perform, shall be varied.

5. As a paper currency is issued upon the national credit, the whole property of the nation is pledged for its redemption, whenever, by any circumstance, it may become the interest of the community that it should be redeemed. It is therefore manifest that it should not issue upon the credit of any individual, or association of individuals. A part can never be equal to the whole. The credit of any individual, or association of individuals, cannot be equivalent to that of they nation of which the form a part. But it

may be said, that although the credit of individuals is not equivalent to the credit of the nation, yet an equivalent for a particular portion of that credit may be found in the pledge or mortgage of property of equal or greater value than the currency issued upon it. This may be true; but the value of property has been continually fluctuating: it will continue to fluctuate, after giving to the advocates of a paper currency full credit for the superior stability which they suppose will attend its substitution for gold and silver as the standard of value. But this is not the only objection to the acceptance of property as a pledge for the payment, by individuals, of an equivalent for the paper currency which may be advanced upon such pledge. Frauds will be practised by pledging property which is encumbered, which it would be extremely difficult to detect. The Government will be involved in endless litigation with individuals who are interested in the encumbrances by which its right to the property pledged is embarrassed. In such contests, the interest of the Government is always endangered, even where right is on its side. It is not qualified to enter into such litigations with an equal chance of success. The feelings of the community are always, except in flagrant cases of fraud, upon the side of an individual supposed to be struggling with the overwhelming influence of authority. Besides, in all contests of this nature, something of the respect for the Government which ought to be cherished by the citizens, especially of a free state, will be lost. The situation is invidious, and ought not voluntarily to be assumed by a Government jealous of its dignity and purity of character. It is therefore believed that a national currency cannot be issued with safety, with a reasonable prospect of success, and with sufficient security against redundancy, but in exchange for gold and silver of a definite standard, or for the public stock at certain fixed rates. When issued in exchange for them, and for them alone, there is, though not the same, yet perhaps an equal, security against redundancy as in the case of a metallic currency. When it is issued in exchange for coin, there is no addition made to the currency. When it is issued in exchange for public stock, commanding previously to the exchange its par value in coin, the party who acquires the currency parts with that which was equal to specie, and is deprived of the annual interest which it produced. Unless the interest of the currency, resulting from its scarcity, should exceed that paid upon the stock, it would not be demanded in exchange for the stock. In either case, the danger of redundancy is extremely remote. By the exchange of specie for currency, the active capital of the country will be increased to the amount of the currency; and the capacity of the nation to redeem it, whenever it shall by any circumstance whatever become expedient, will be unquestionable.

But it may be doubted whether, under such conditions, a paper currency ever can be put in circulation. Under a Government firmly established, conducted by upright and enlightened counsels, and possessing absolute power over the currency, it is believed there is no just reason to apprehend a difficulty of that nature. If, in such a Government, banks existed, deriving their powers from it, the specie in their possession would be gradually exchanged for the paper currency which would become the basis of their operations. Not only the specie which they possessed would be thus exchanged, but exertions would, from time to time, be made to acquire the sums necessary to support their banking operations. Specie would be imported, even at an expense, for the purpose of being exchanged. Whilst specie formed the basis of the operations of banks, its importation could not fail to be productive of loss. Each importation not only produced the necessity of additional importations, but at an increased expense. But, when importations shall be made for the purpose of being exchanged for the currency, the exportation of the specie thus imported will not affect the operations of the banks. It is only when the funding of the currency shall commence, that they will be admonished to desist from further importations. Individuals and banks would likewise exchange public stock, at the rates prescribed by the system, for the paper currency. Whenever the demand for currency should be such as to raise the interest of money considerably above that produced by the public stock, it would by banks and individuals be given in exchange for the currency. But the facility which the existence of a public debt furnishes in procuring the paper currency is counterbalanced by the difficulty of complying with the public engagement to discharge such debt in a metallic currency. After a paper circulation shall be substituted for gold and silver, they will be found in the country only in the quantity demanded for manufactures, and for such branches of commerce as are entirely dependant upon them. A considerable demand for gold and silver by the Government, to meet its engagements previously contracted, would raise their price in the market, and render the obligation to discharge those engagements in the precious metals not only extremely onerous, but, perhaps, sometimes impracticable. In such a state, a compromise with the public creditors would seem to be a preliminary measure. This, under any circumstances, would be a measure of great delicacy and difficulty, and, in some cases, would probably be utterly impracticable.

6. Whenever, from any cause, the currency should become redundant, the redundancy may be funded at a rate of interest a fraction below the rate of legal interest.

In determining the rate at which it may be funded, due regard should be paid to the rate of interest previously existing in the state. The rate of interest, it is conceived, ought not to depend (and, where a metallic currency prevails, does not depend) solely upon the amount of currency necessary to perform with facility the exchanges required by the wants and convenience of society. In a new country, where there is but a slight accumulation of capital, the interest of money will be high, notwithstanding there may be even a redundancy of currency beyond what is necessary to effect its exchanges. In such a country, all the objects upon which capital may be employed, except those of the most simple kind, are unoccupied. The currency necessary to effect the exchanges of its property, moveable and immoveable, will be entirely insufficient to satisfy the demand for capital for those objects. If it should be multiplied so as to equal that demand, it would exceed the demand for the necessary exchanges of society, and, consequently, depreciate. Such, in fact, it is believed, would be the consequence of issuing the currency upon individual credit, or upon the pledge of property at a rate of interest below that which previously existed in the state. Any change of the interest of money by law, previous to its having taken place in individual transactions, in consequence of the accumulation of capital, would be unjust, and could not fail to produce serious inconvenience to the community. Admitting the rate of interest, in a state about to make the experiment, to be six per cent., then the currency should be issued only in exchange for specie, or six per cent. stock, or other stock according to that ratio. If the currency should, when, by any means, a redundancy existed, be fundable at five and a half per cent. interest, the utmost depreciation to which it could be subject would be eight and one-third per cent. But it is probable that the real depression in its value would not, at any time, be more than half that amount. Before funding would commence, the public stock, receivable in exchange for the national currency, would be above the rates at which it was receivable. Its issue upon the exchange of stock would, therefore, have ceased. There are in every community capitalists who would prefer lending to the Government at five and a half per cent., than to individuals at six. The funding of the currency would, therefore, begin before the redundancy would offer any general inducement to that mode of reducing it. The variation to which its value would be subject would, therefore, be less than eight and one-third per cent. It would be the interest of the Government to reserve the right of redeeming the stock created by funding at its par value; under the condition, however, of redeeming it according to the order of time in which it was created. Connected with this system, should be a permission to the banks to purchase public stock, but not to dispose of it, except to the Government, at its par or current value, when under par, unless the Government should decline the purchase. The currency, upon being funded, should be invariably cancelled. Under a system of this kind, if no other paper was permitted to circulate than the national currency, a redundancy which would affect its value could only occur by a temporary diminution of the articles which were to be exchanged through its instrumentality. In that event, the price of the articles would be enhanced, so as to require a greater amount of currency to effect their exchange. Should the price not be enhanced in proportion to the diminution in the quantity of the articles, that portion of the currency which would, under such circumstances, be left without employment, would be funded. A just relation between the amount of currency, and the demand for it, would be promptly restored, without affecting injuriously the relations between individuals. On the other hand, should a greater quantity of exchangeable articles be produced, the demand for currency would exceed the supply, and lead immediately to additional issues, until the necessary supply should be obtained.

But, in a state where banks already existed, which derived their charters from the sovereignty that regulated the currency; where the people were accustomed to bank notes, and in the habit of receiving them, the agency of these institutions might be admitted in supplying a portion of the currency. They might be permitted to issue their notes, payable, on demand, in the national currency. Their notes would, of course, be issued on personal security. In this case, the currency might become redundant by the issues of the banks. Whenever this should happen, the national currency would be demanded of them for the purpose of being funded; the banks would be compelled to curtail their discounts, to relieve themselves from the pressure, and the amount of the currency would be promptly reduced to the legitimate demand. Whenever the agency of banks should be employed in furnishing part of the circulation, a refusal, or omission, to discharge their notes on demand, in the national currency, should be treated as an act of bankruptcy. The national currency, being a legal tender in the payment of debts to individuals and to the Government, would, in relation to the banks, perform the functions of specie, where bank notes are convertible into coin. But, in order to impose a salutary check against excessive issues of bank notes, the national currency should alone be receivable in all payments to the Government.

In an attempt to trace the probable results of a paper currency, founded upon the principles which have been developed in the preceding pages, the influence which it will have upon foreign exchange requires investigation. The want of stability, morality, and intelligence in the Government which may undertake to substitute a paper for a metallic currency, are the objections which have already been considered. To these, according to common opinion, is to be added the injurious effect which it is supposed it will have upon foreign exchange. In a country where the currency is metallic, an unfavorable state of foreign exchange will probably have the following effects:

1st. To raise the price of exportable articles as much above that which they ought to bear, as the premium paid upon foreign bills, until it exceeds the expense of exporting specie to the foreign market.

2d. When this rise exceeds the expense of such exportation, the price of exportable articles will fall gradually below what they ought to command, to the extent of that excess.

3d. Until this fall in their price shall be effected, specie will be exported; after which, it will cease.

4th. This fall in their price, by increasing their consumption in the foreign markets, ultimately provides for the return of the specie which had been exported.

5th. During the second and third stages of this process, the price of all articles not exportable is affected in a greater degree; enterprise is damped, and distress prevails.

Such are the necessary effects of an unfavorable state of foreign exchange, where the currency is metallic. As the vital principle of commerce is gain, it is probable that, generally, the price of exportable articles would, in fact, be rather higher than is stated in the preceding deductions; the timid might export specie, before the premium upon exchange exceeded the expense of its exportation; but timidity is not the predominant characteristic of commercial enterprise. On the other hand, the sanguine and enterprising, relying upon the chance of better markets, would give higher prices rather than submit to certain loss upon the exportation of specie, or the purchase of bills above par.

In a country where a paper currency has been adopted, and the principles by which a redundancy may be prevented have been enforced, an unfavorable state of foreign exchange will probably have the following effects:

1st. The effect of raising the price of exportable articles, as much above what they ought to bear as equals the premium upon foreign bills. But, in this case, gold and silver, being exportable articles, will rise in the same proportion as all other articles.

2d. When the price of all articles is raised so high that a loss will be incurred by their sale in foreign markets, those who have no remittances to make will withdraw from the competition. If profitable investments in other enterprises cannot be made, a portion of the currency, at their disposition, will be withdrawn from circulation, by being converted into funded stock; competition will, in this manner, be diminished; the price of articles for exportation will be reduced by the reduction of the currency, and by diminished competition among the purchasers. It is not probable, however, that the price will fall so low as to admit of a profit in foreign markets, as long as the premium upon exchange continues above the ordinary commercial profit upon exported articles. But exportation will not be continued at a certain loss, longer than the discharge of debts previously contracted renders indispensable; foreign articles will not be imported, when the loss upon remittances, whether made by bills of exchange, or by the exportation of commodities, is equal to the profit upon importation; the high price given for exportable articles will increase their production, and restore foreign exchange o a favorable state. The balance of trade, and the rate of foreign exchange, which have given so much trouble to statesmen for two centuries past, when left to the laws by which they will be governed in despite of human devices, as invariably regulate themselves as fluids, when unrestrained, find their common level. They will, probably, more promptly conform to these laws in a state where a well-regulated paper currency prevails, than where it is metallic. In the latter, the currency is exported to make up any temporary deficiency, and by that means provides against the recurrence of the evil, by indirectly causing an increase of the exportable articles of the state, and diminishing the importation of foreign articles. Until the capacity to purchase these by the exchange of articles shall be restored in the former, as the currency cannot be exported, the importations will be more promptly reduced to the capacity of the country to purchase, whilst the increase of its exportable articles will be the direct, instead of the indirect, consequence of a temporary incapacity to pay for previous importations.

3d. During the whole process of restoring a favorable state of exchange, in a country where a well-regulated paper currency prevails, the price of all articles not exportable will suffer no material variation. The funding of the currency, which will probably take place, will not be immediately carried so far as to reduce the price of exportable articles so as to command a profit in foreign markets. They will, so long as the rate of exchange is unfavorable, continue to command higher prices than when the exchange is favorable. This increased price will encourage industry and enterprise, and constantly tend to augment the productive energies of the community. This effect cannot fairly be attributed to any depreciation in the currency. That will continue to bear nearly the same proportion to the exchangeable articles of the state, as when foreign exchange was favorable. It is probable even that its relation to those articles will be changed, so as to produce an appreciation of the currency; and that this appreciation will be perceived, in a slight degree, in the depression of the value of all articles not exportable. The effects of this appreciation will, however, be diminished by the impulse given to industry and enterprise, by the increased price of all articles which can be exported.

These are conceived to be the effects which a well-regulated paper currency will have upon the foreign exchanges, and upon the domestic industry of the country which may adopt it. If the value of currency depends, like that of all other articles, upon the quantity compared with the demand, the idea of its depreciation raising the price of articles, in the case which has been considered, must be rejected. That this position is incontrovertible, seems to have been admitted by all writers upon the subject. This admission is found in the reports which have been made to the British Parliament, in the evidence upon which those reports have been founded, and in the essays of those who have opposed the paper system in that country, since the year 1797. The objection to the paper system, as it existed in England, was the absence of all restraint upon the issue of paper, and the supposed impossibility of imposing any efficient restraint. In fact, no attempt has been made to impose such restraint in that country, unconnected with the convertibility of bank notes into the precious metals. So far as this restraint is limited to the convertibility of bank notes into bullion at any given rate, it is rather an attempt to regulate foreign exchange through the instrumentality of the bank, than to confine the issue of bank notes to the sound demand for currency. The restraint imposed seems to rest upon the idea that an unfavorable state of foreign exchange must be the result of a redundant currency. Nothing can be more incorrect than this hypothesis.

Considering the vitiated state of the currency of England for more than twenty years past, it is not surprising that this idea should there be entertained. During that period, the unfavorable rate of foreign exchange which generally prevailed, was, if not directly, at least indirectly, attributable to the depreciation of their currency. But, in this interval, a favorable rate of foreign exchange more than once occurred. To what could this favorable exchange be attributed? Certainly not to the depreciation of their currency. But it would be as unjust to attribute every unfavorable state of foreign exchange to the depreciation of the currency, as to ascribe to that currency the credit of any favorable state of such exchange. The truth is, that fluctuations in the exchange, between two countries having a metallic currency, continually occur, and depend upon principles wholly unconnected with the idea of a depreciated currency.

If these views be correct, the only obstacles to the establishment of a paper currency, by a Government having a sovereign right to establish it, is the danger of the instability and want of integrity and intelligence of the Government. There is, certainly, just reason to apprehend that emergencies may arise in the affairs of every nation, in which their stability may be menaced by foreign force or domestic insurrection. In such an event, a panic might ensue, and the credit of the currency be utterly annihilated. How far the recent examples which have been adverted to in other states—how far the influence of public opinion over the conduct of Governments may be relied upon, as an efficient preventive against evils of such magnitude, must be determined by those to whom, under Divine Providence, the prosperity and happiness of nations are committed. The subject involves all the complicated interests of society, except the enjoyment of civil, political, and religious liberty. It ought to be approached with more than ordinary circumspection. In states the best qualified to attempt the change, it is environed with doubts which can only be dispelled by the light of experiment. In the United States these doubts are greatly increased by the complex form of the Government. In the division of power between the Federal and State Governments, the line of separation is not sufficiently distinct to prevent collisions which may disturb the harmony of the system. Collisions have already arisen, and, in the course of human events, may be reasonably expected to arise, until the line of separation by which their relative powers and duties are determined shall be distinctly defined by practice, or by explanatory amendments of the constitution, effected according to the forms prescribed in that instrument. Upon no question will collision more likely arise than that contemplated by the resolution under which this report is submitted. No attempt to make the change has succeeded. The measure, when stripped of extraneous difficulties, must be admitted to be of doubtful tendency. Under the most auspicious circumstances, it may prove abortive. Under circumstances in any degree adverse, it must inevitably fail. Any obstacle opposed to its execution, by one or more of the State Governments, would be decisive of its fate. Their simple acquiescence in the measure would not be sufficient to secure to it that issue, to which the principles upon which it might be established would necessarily lead. Their active co-operation would be indispensable. The banks which derive their authority from the State Governments are generally bound by their charters to discharge their notes in specie on demand. From this obligation it would be necessary to the system to relieve them. The obligation to discharge their notes upon demand, in the national currency, should be substituted for that of paying them in specie.

If these obstacles should be removed, that connected with the public debt, which has been suggested in a previous part of the report, would still remain. After the substitution of the national currency, gold and silver would be imported only in the quantity required for manufactures, and for the prosecution of those branches of trade in which they are primary articles of commerce. For these purposes, the importations would be sufficient. They might even be sufficient, and at a reasonable price, for the payment of the annual interest of the public debt. But after the year 1824, when the sum of $10,000,000 would annually be expended by the commissioners of the sinking fund, it is probable that the premium which would be paid upon it would be considerable, until the debt was extinguished. A compromise, as has already been suggested, with the public creditors, would seem to be a measure preliminary to any attempt to establish a paper currency. It is more than probable that the attempt would not only be unsuccessful, but that it would injuriously affect the public credit.

It may also be proper to observe, that those sections of the Union where a measure of this kind would be most likely to be acceptable, would probably derive from it the least benefit. In the west, and in the south, the complaints of a deficient currency have been most distinctly heard. In the latter, these complaints are of recent date. In both, they proceed in a greater degree from the disbursement of the public revenue than from any other cause. The great mass of public expenditure is made to the east of this city. The revenue accruing from imports, though principally collected in the middle and eastern States, is paid by the great mass of consumers throughout the United States. That which is paid for the public lands, although in some degree drawn from every part of the Union, is principally paid by the citizens of the west and of the south. The greatest part of the revenue accruing from the public lands, as well as that collected in the southern States, upon imports, has been transferred to the middle and eastern States to be expended. The necessity of making this transfer arises from the circumstance that the great mass of the public debt is held in those States, or by foreigners, whose agents reside in them; and from the establishment of dock-yards and naval stations in their principal ports. This transfer will continue to be necessary, until the public debt shall be extinguished, and until the other expenditures of the Government can, consistently with the public interest, be more equally distributed. If a national currency should be established, the demand for it in the southern and western States, for the purpose of transmission, would be incessant; whilst its return, by the ordinary course of trade, especially in the latter, would be slow, and in some degree uncertain. The currency, being everywhere receivable by the Government, would, for the purpose of remittance, be more frequently demanded in that section than specie, for the same reason that the notes of the Bank of the United States and its offices command there, at this time, a premium in specie. As the transfers of the public money are made by the Bank of the United States, the excitement produced by the demand for specie or funds that can be remitted consequent upon such transfers has been directed against that institution. All the evils which the community in particular parts of the country has suffered from the sudden decrease of the currency, as well as from its depreciation, have been ascribed to the Bank of the United States, which, in transferring the public funds, has been a passive agent in the hands of the Government.

It is then believed that the evils which are felt in those sections of the Union where the distress is most general, will not be extensively relieved by the establishment of a national currency. The sufferings which have been produced by the efforts that have been made to resume, and to continue, specie payments, have been great. They are not terminated, and must continue until the value of property, and the price of labor, shall assume that relation to the precious metals which our wealth and industry, compared with those of other states, shall enable us to retain. Until this shall be effected, an abortive attempt, by the substitution of a paper currency, to arrest the evils we are suffering, will produce the most distressing consequences. The sufferings that are past will, in such an event, recur with additional violence, and the nation will again find itself in the situation which it held at the moment when specie payments were resumed.

I have the honor to be your most obedient servant,

WM. H. CRAWFORD.

The Hon. the SPEAKER
of the House of Representatives.

A.

GENERAL STATEMENT of the Bank of the United States, and its Offices of Discount and Deposite, at the dates specified herein.

DR.

Date.		Funded debt of the U. S., including that pledged by the Charleston banks.	Bills discounted on personal security.	Bills discounted on funded debt.	Bills discounted on bank stock, &c.	Foreign bills of exchange.	Domestic bills of exchange.	Baring, Brothers, & Co. on account of bills in favor of J. Richards.
1819.								
September 27	Bank United States - -	$7,252,501 34	$2,002,001 11	$65,000	$4,532,676 24	$138,470 66	$23,554 37	$94,864 37
20	Office, Portsmouth - -	-	192,163 15	150	3,978 00	-	500 00	
23	Boston - - -	-	272,546 14	5,610	11,800 00	-		
23	Providence - -	-	316,698 25	-	120 00	-	58,069 29	
27	Middletown - -	-	217,366 48	300	23,585 00	-	1,300 00	
29	New York - -	-	1,393,215 32	61,479				
27	Baltimore - -	-	3,591,410 39	91,000	2,141,684 29	-	29,883 43	
25	Washington - -	-	1,005,969 97	3,785	143,669 00			
22	Richmond - -	-	1,742,455 08	-	81,100 00			
20	Norfolk - - -	-	726,705 91	-	95,394 00			
22	Fayetteville - -	-	562,001 26	-	49,210 00	-	14,450 00	
14	Charleston - -	-	1,806,732 23	1,700	723,888 30	-	5,000 00	
14	Savannah - -	-	1,325,239 93	-	59,235 00	-	277,174 10	
10	Lexington - -	-	1,210,755 46	-	32,216 00	-	109,438 37	
7	Louisville - -	-	634,979 65	-	-	-	435,919 00	
11	Chillicothe - -	-	458,994 78	-	-	-	17,100 00	
11	Cincinnati - -	-	1,501,328 88	-	-	-	300,421 30	
1	New Orleans - -	-	1,575,903 52	-	38,960 00	-	63,873 00	
23	Pittsburgh - -	-	689,661 05	-	-	-	38,405 00	
		7,252,501 34	21,226,128 56	229,024	7,937,515 83	138,470 66	1,375,087 86	94,864 37

STATEMENT A—Continued.

Dr.

Date.		Due from offices of discount and deposite.	Due from State banks.	Real estate, permanent expenses, and bonus.	Expenses.	Cash deficiency.	Notes of the Bank U. States and branches.	Notes of State banks.	Specie.
1819.									
Sept. 27	Bank United States -	$30,337,369 22	$882,046 41	$569,937 82	$21,627 78	-	$5,633,857 09	$214,771 14	$1,197,941 52
20	Office, Portsmouth -	90,552 29	-	-	801 24	-	161,555 00	25,059 40	9,723 05
23	Boston -	31,046 71	305,775 47	-	3,021 56	-	384,315 00	21,333 00	79,936 82
23	Providence -	18,900 81	10,116 00	-	2,706 19	-	225,295 00	25,246 90	30,085 03
27	Middletown -	70,399 52	5,277 46	-	1,265 81	-	158,595 00	22,237 00	73,641 38
29	New York -	203,624 67	224,225 70	-	6,550 53	-	618,530 00	58,324 84	313,611 04
27	Baltimore -	155,889 81	222,950 74	72,433 37	5,484 43	$146,454 74	236,120 00	53,482 49	278,498 15
25	Washington -	291,724 42	14,208 36	16,605 29	787 05	-	428,500 00	5,390 28	22,270 01
22	Richmond -	252,244 00	3,152 45	33,692 32	3,812 09	-	375,200 00	46,090 61	110,320 31
20	Norfolk -	227,691 03	46,564 86	23,205 81	3,414 09	-	27,280 00	23,476 82	79,479 43
22	Fayetteville -	6,860 80	105,022 51	-	3,093 59	-	3,540 00	43,622 00	87,760 03
14	Charleston -	110,827 58	47,000 00	50,994 85	6,036 77	-	213,610 00	230,173 00	261,253 57
14	Savannah -	99,601 56	84,784 70	-	4,758 45	-	421,110 00	156,777 00	84,629 42
10	Lexington -	92,992 41	96,285 90	-	3,165 99	-	80,780 00	22,480 00	70,035 63
7	Louisville -	154,814 48	12,346 85	-	2,485 38	-	129,650 00	54,596 38	104,306 52
11	Chillicothe -	32,896 80	47,126 99	-	2,321 99	-	374,550 00	14,115 00	28,870 03
11	Cincinnati -	54,892 12	658,093 64	-	2,897 29	-	211,640 00	29,641 00	91,485 81
1	New Orleans -	24,715 53	174,882 61	-	2,831 16	-	535,370 00	86,002 00	320,389 63
23	Pittsburgh -	10,668 33	25,000 00	14,123 13	2,875 22	-	362,650 00	1,105 00	10,242 53
		32,267,712 09	2,964,860 65	780,992 59	79,936 61	146,454 74	10,582,147 09	1,133,923 86	3,254,479 91

STATEMENT A—Continued.

Cr.

Date.		Capital stock.	Bank, branch, and post notes.	Dividends unclaimed.	Discounts, exchanged, and interest.	Profit and loss.	Due to the Bank United States, and offices of discount and deposite.	Due to State banks.
1819.								
Sept. 27	Bank United States -	$34,973,828 63	$14,392,258 49	$19,645 80	$49,474 01	$1,104,932 94	-	$106,951 84
20	Office, Portsmouth -	-	-	-	3,732 42	-	$435,312 57	
23	Boston -	-	-	345 50	5,031 71	-	705,741 61	156,954 94
23	Providence -	-	-	-	7,955 76	-	633,044 64	11,925 00
27	Middletown -	-	-	-	4,846 90	-	547,985 32	7,643 77
29	New York -	-	-	602 50	29,994 00	-	1,978,578 66	151,112 66
27	Baltimore -	-	-	4,565 30	53,436 37	-	6,608,809 08	23,405 85
25	Washington -	-	-	1,194 50	18,539 47	-	1,630,839 82	50,657 73
22	Richmond -	-	-	1,526 50	32,336 02	-	2,312,430 70	24,482 97
20	Norfolk -	-	-	126 00	11,458 43	-	1,138,740 51	
22	Fayetteville -	-	-	585 00	13,752 45	-	819,633 96	7,767 30
14	Charleston -	-	-	4,650 20	47,473 85	-	2,777,733 82	29,220 74
14	Savannah -	-	-	325 00	31,571 06	-	2,330,152 01	10,872 00
10	Lexington -	-	-	-	36,838 23	-	1,613,097 08	
7	Louisville -	-	-	248 30	15,020 94	-	1,404,773 65	81,703 40
11	Chillicothe -	-	-	-	8,134 88	-	957,443 62	1,267 57
11	Cincinnati -	-	-	-	53,214 73	-	2,766,441 55	1,000 00
4	New Orleans -	-	-	-	30,427 73	-	2,319,445 27	10,852 53
23	Pittsburgh -	-	-	-	11,849 32	-	1,120,931 37	
		34,973,828 63	14,392,258 49	33,814 60	465,088 28	1,104,932 94	32,101,135 24	675,818 30

STATEMENT A—Continued.

Cr.

Date.		Due to Baring, Brothers, & Co., and Thos. Wilson & Co.	Premium and damages on bills purchased on account of Baring, Brothers, & Co.	Bills of exchange received of S. Smith and Buchanan.	Deposites on account of the Treasurer of the United States.	Deposites on account of public officers.	Deposites on account of individuals.
1819.							
Sept. 27	Bank United States - -	$142,040 03	$43,410 20	$37,355 55	$1,253,003 95	$271,592 04	$572,125 59
20	Office, Portsmouth - -	–	–	–	–	39,030 34	6,406 80
23	Boston - - -	–	–	–	–	164,511 55	82,799 39
23	Providence - -	–	–	–	–	17,081 95	17,230 12
27	Middletown - -	–	–	–	–	9,669 15	3,822 51
29	New York - -	–	–	–	–	355,580 04	363,693 24
27	Baltimore - -	–	–	–	–	191,444 63	143,630 61
25	Washington - -	–	–	–	–	282,127 86	105,390 62
22	Richmond - -	–	–	–	–	81,901 04	195,389 63
20	Norfolk - - -	–	–	–	–	–	102,887 01
22	Fayetteville - -	–	–	–	–	21,224 24	12,597 24
14	Charleston - -	–	–	–	–	67,614 27	530,523 42
14	Savannah - -	–	–	–	–	43,776 80	96,613 29
10	Lexington - -	–	–	–	–	24,295 50	43,918 95
7	Louisville - -	–	–	–	–	–	27,351 97
11	Chillicothe - -	–	–	–	–	–	9,129 52
11	Cincinnati - -	–	–	–	–	–	29,743 76
1	New Orleans - -	–	–	–	–	191,651 01	270,550 91
23	Pittsburgh - -	–	–	–	–	4,300 39	17,649 18
		142,040 03	43,410 20	37,355 55	1,253,003 95	1,765,800 81	2,631,453 76
	Deduct amount overdrawn at Washington - - -	–	–	–	155,840 62		
					1,097,163 33		

STATEMENT A—Continued.

The total amount of bank and branch bank-notes issued is	-	-	$14,392,258 49
Of which there are on hand at the bank and branches	-	$10,582,147 09	
In circulation, as follows:			
Notes of the Bank of the United States	$864,716 40		
Offices, Portsmouth	103,530 00		
Boston	254,400 00		
Providence	38,295 00		
Middletown	64,195 00		
New York	448,020 00		
Baltimore	331,620 00		
Washington	494,175 00		
Richmond	155,580 00		
Norfolk	69,390 00		
Fayetteville	93,130 00		
Charleston	190,890 00		
Savannah	182,820 00		
Lexington	73,240 00		
Louisville	117,680 00		
Chillicothe	15,960 00		
Cincinnati	105,030 00		
New Orleans	174,760 00		
Pittsburgh	32,680 00		
		3,810,111 40	
			14,392,258 49

RECAPITULATION.

Dr.

Funded debt of the U. States (various)	-	$7,252,501 34
Bills discounted, viz:		
On personal security	$21,226,128 56	
On personal security and funded debt	229,024 00	
On personal security and bank stock, &c.	7,937,515 83	
		29,392,668 39
Bills of exchange, viz:		
Foreign	138,470 66	
Domestic	1,375,087 86	
		1,513,558 52
Baring, Brothers, & Co. for bills in favor of J. Richards	-	94,864 37
Offices of discount and deposite	-	32,267,712 09
State banks	-	2,964,860 65
Real estate, permanent expenses, and bonus	-	780,992 59
Expenses	-	79,936 61
Cash, viz:		
Deficient at Baltimore	146,454 74	
Notes of the Bank of the United States and branches	10,582,147 09	
Notes of State banks	1,133,923 86	
Specie	3,254,479 91	
		15,117,005 60
Total	-	89,464,100 16

Cr.

Capital stock	-	$34,973,828 63
Bank, branch, and post notes	-	14,392,258 49
Dividends unclaimed	-	33,814 60
Discount, exchange, and interest	-	465,088 28
Profit and loss	-	1,104,932 94
Due the Bank of the United States and offices of discount and deposite	-	32,101,135 24
Due State banks	-	675,818 30
Due Baring, Brothers, & Co., and Thomas Wilson & Co.	-	142,040 03
Premium and damages on bills purchased on account of Baring, Brothers, & Co.	-	43,410 20
Bills of exchange received of S. Smith & Buchanan	-	37,355 55
Deposites, viz:		
On account of the Treasurer of the United States	$1,097,163 33	
On account of public officers	1,765,800 81	
On account of individuals	2,631,453 76	
		5,494,417 90
		89,464,100 16

BANK OF THE UNITED STATES, *October* 1, 1819.

JONATHAN SMITH, *Cashier.*

B.

STATEMENT of the bank capital in the several States, Districts, and Territories of the United States, as far as it was known at the Treasury, during the years 1814, 1815, 1816, *and* 1817.

State, District, or Territory.	Capital. 1814.	Capital. 1815.	Capital. 1816.	Capital. 1817.
Maine - - -	$1,380,000 00	$1,930,000 00	$1,860,000 00	$1,720,000 00
New Hampshire - -	838,250 00	942,350 00	943,350 00	997,550 00
Vermont - - -	-	-	-	-
Massachusetts - -	11,350,000 00	11,600,000 00	11,650,000 00	11,300,000 00
Rhode Island - -	2,317,320 00	2,317,320 00	2,317,320 00	2,317,320 00
Connecticut - - -	3,655,750 00	4,063,675 00	3,909,575 00	4,021,262 00
New York - - -	17,185,352 00	17,700,736 00	17,145,979 00	16,991,704 00
New Jersey - - -	2,121,932 00	2,071,957 00	1,672,115 00	2,076,465 00
Pennsylvania - -	14,963,333 00	15,346,432 00	15,393,594 00	15,732,615 00
Delaware - - -	996,990 00	973,890 00	974,500 00	974,500 00
Maryland - - -	7,872,002 00	8,243,422 00	8,346,782 00	8,657,147 00
District of Columbia -	4,060,814 00	4,244,765 00	4,650,176 00	5,008,527 00
Virginia - - -	3,592,000 00	4,752,460 00	5,521,415 00	4,884,565 00
North Carolina - -	1,576,600 00	2,594,600 00	2,776,000 00	2,796,600 00
South Carolina - -	3,730,900 00	3,832,758 00	3,832,758 00	3,919,973 00
Georgia - - -	623,580 00	1,239,440 00	1,502,600 00	1,502,600 00
Louisiana - - -	1,432,300 00	1,402,300 00	1,422,300 00	1,432,300 00
Mississippi - - -	100,000 00	100,000 00	100,000 00	200,000 00
Tennessee - - -	212,962 00	365,610 00	498,506 00	995,500 00
Kentucky - - -	932,600 00	2,532,000 00	2,057,000 00	2,823,100 00
Ohio - - - -	1,435,819 00	1,932,108 00	2,806,737 00	2,003,969 00
Indiana - - -	-	-	-	127,624 00
Missouri - - -	-	-	-	193,125 00
	80,378,504 00	88,185,823 00	89,380,707 00	90,676,446 00
Bank of the United States -	-	-	-	35,000,000 00
				125,676,446 00

C.

A STATEMENT showing the condition of the banks in the several States, Districts, and Territories of the United States, as far as the same was known at the Treasury Department, in the year 1819.

State, District, or Territory.	DEBTS OF THE BANKS.					
	Capital paid in.	Notes in circulation.	Deposites.		Due to other banks.	Undivided profits.
			Public.	Private.		
Maine	$1,536,666 66	$1,336,783 00	$34,609 86	$253,582 27	-	$39,629 87
Massachusetts	10,475,116 68	2,474,107 00	106,341 29	2,510,194 44	$4,860 55	319,134 16
New Hampshire	1,005,276 00	589,114 00	-	117,441 26	-	68,789 85
Vermont	44,955 00	185,342 00	-	46,121 77	-	581 18
Rhode Island	2,982,026 12	738,192 97	38,857 81	464,654 08	953 44	100,059 81
Connecticut	467,937 50	138,234 00	22,348 49	53,431 40	1,748 00	9,116 24
New Jersey	214,740 00	110,624 00	25,417 00	127,186 00	15,772 00	24,784 00
Pennsylvania	8,595,788 59	3,919,894 80	37,322 84	2,880,928 33	1,009,565 53	279,192 39
Delaware	974,900 75	405,972 62	-	211,454 37	177,237 75	145,326 78
Maryland	86,290 00	44,435 50	-	27,153 41	1,727 91	2,763 76
Columbia	5,525,319 00	838,030 36	980,510 08	464,393 30	765,510 32	302,460 99
Virginia	5,212,192 50	2,733,745 88	37,396 47	844,659 20	88,931 96	72,780 80
North Carolina	2,964,887 00	3,851,919 00	-	635,761 00	142,568 00	315,476 00
South Carolina	1,800,000 00	788,200 00	-	377,163 00	6,047 50	278,102 78
Georgia	600,000 00	705,203 50	1,165 18	202,481 76	109,215 54	51,801 95
Alabama	321,112 50	166,686 62	888,138 79	70,243 92	-	23,653 54
Tennessee	1,545,867 50	898,129 00	17,003 71	262,866 22	29,884 00	82,253 25
Kentucky	4,307,431 56	1,403,404 71	-	1,035,653 18	1,752 25	205,117 47
Ohio	1,697,463 21	1,203,869 46	191,454 22	262,999 88	578,891 91	88,283 28
Indiana	202,857 07	276,288 50	191,484 95	25,264 68	104,737 23	9,586 11
Illinois	140,910 00	52,021 00	119,036 92	32,568 60	-	2,994 49
Missouri	250,000 00	135,258 50	700,679 05	72,973 00	-	10,207 33
Mississippi	900,000 00	275,447 00	-	212,980 01	-	37,740 43
	51,851,737 64	23,270,903 42	3,391,766 66	11,192,155 08	3,039,403 89	2,469,836 46
New York	20,488,933 00	12,500,000 00	Not stated.	Not stated.	Not stated.	Not stated.
	72,340,770 64	35,770,903 42				

STATEMENT C—Continued.

State, District, or Territory.	RESOURCES OF THE BANKS.						Remarks.
	Loans or discounts.	Due by other banks, in notes or otherwise.	Specie.	United States' stocks.	Stocks of incorporated companies, bills of exchange, and other miscellaneous effects.	Real estate.	
Maine - -	$2,512,716 73	$251,730 51	$339,749 45	-	$6,294 38	$90,780 59	United States' stock is not generally distinguished in the returns from Maine and Massachusetts; and not always in others.
Massachusetts -	12,928,188 04	1,461,303 01	901,700 41	$128,844 03	48,498 26	421,320 37	
New Hampshire	1,446,089 39	129,587 26	153,831 53	-	-	51,112 93	
Vermont -	77,326 00	135,269 03	49,690 69	-	14,714 23		
Rhode Island -	3,269,044 28	288,256 98	406,867 80	131,660 60	91,539 88	137,474 69	
Connecticut -	496,453 23	52,688 70	44,645 70	-	88,040 00	10,988 00	
New Jersey -	291,405 00	53,780 00	21,413 00	109,600 00	40,125 00	2,200 00	
Pennsylvania -	13,183,861 93	1,208,828 44	1,061,067 23	411,676 00	405,631 26	351,537 02	Notes of specie-paying banks are sometimes entered as specie, in the statements of the Pennsylvania banks.
Delaware -	1,509,999 49	120,500 06	115,502 95	1,285 26	75,920 00	91,684 51	
Maryland -	127,579 75	10,835 52	21,030 15	-	-	2,925 16	
Columbia -	6,823,374 98	749,269 14	265,234 00	100,443 46	635,931 93	301,970 54	
Virginia -	7,326,777 66	250,988 74	993,672 76	-	87,302 01	330,965 64	
North Carolina	6,355,928 00	506,388 00	705,582 00	-	152,093 00	190,620 00	
South Carolina	2,165,639 73	63,832 96	245,487 98	622,811 17	75,399 87	76,341 57	
Georgia -	1,175,397 32	136,325 00	346,445 61	-	-	11,700 00	
Alabama -	858,729 05	353,033 93	192,708 46	-	60,688 93	4,675 00	
Tennessee -	2,214,729 56	218,060 73	343,884 41	-	18,905 40	40,423 58	
Kentucky -	5,859,262 30	243,737 08	693,381 19	-	150,610 98	6,367 62	
Ohio - -	2,779,314 63	422,269 60	433,612 04	-	294,765 99	92,999 70	
Indiana -	300,278 91	395,932 70	86,350 83	-	25,000 00	2,656 10	
Illinois - -	206,694 32	59,332 18	74,715 51	-	6,614 00	175 00	
Missouri -	456,946 00	447,941 00	252,563 50	-		11,667 38	
Mississippi -	1,257,859 46	56,361 97	79,608 01	-	-	32,338 00	
	73,623,595 76	7,616,252 54	7,828,745 21	1,506,320 52	2,278,075 12	2,262,923 40	
New York -	Not stated.	Not stated.	2,000,000 00	Not stated.	Not stated.	Not stated.	This is stated on the authority of a report made by a committee of the New York Legislature, at its last session.
			9,828,745 21				

Later returns from the banks in Maine and Massachusetts, and several of the banks in Pennsylvania, show the following results:

Maine - -	capital increased about	1-13	——	circulation increased about	1-30	——	specie increased about	8-10	——	discounts decreased about	1-52.
Massachusetts	ditto	1-10		decreased	1-19		ditto	5-10		increased	1-25.
Pennsylvania	ditto	1-64		decreased	4-10		ditto	1-13		decreased	1-6.

D.

A STATEMENT showing the aggregate amount of the capital, circulation, specie, and discounts, of several banks, (sixteen in number,) situated in Maine, Massachusetts, Rhode Island, Pennsylvania, District of Columbia, Virginia, South Carolina, Georgia, and Ohio, on the 30th of September, annually, in 1813, 1815, *and* 1819.

Year.	Capital.	Circulation.	Specie.	Discounts.
1813 -	$6,903,377	$6,845,344	$3,059,149	$12,990,975
1815 -	8,852,371	9,944,757	1,693,918	15,727,218
1819 -	9,711,960	4,259,334	1,726,465	12,959,560

E.

A STATEMENT showing the rate of exchange between Boston, New York, Philadelphia, and Baltimore, and London, during the years 1813, 1814, 1815, *and* 1816; *and, also, the price of specie at New York, and the rate of exchange between that place, Boston, Philadelphia, and Baltimore, during the same period.*

Periods.	AT NEW YORK.					AT BOSTON.	AT PHILADELPHIA.	AT BALTIMORE.	Remarks.
	Specie.	Bills on Boston.	Bills on Philadelphia.	Bills on Baltimore.	Bills on London.	Bills on London.	Bills on London.	Bills on London.	
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	*Per cent.*	
1813.									
January -	–	*a* ⅛	–	–	*d* 18	*d* 18	*d* 17½ to 19	*d* 17	
February -	–	–	–	–	–	*d* 17	*d* 18 to 20	*d* 17	
March -	–	–	–	–	–	*d* 16½	*d* 18 to 15	*d* 16	
April -	–	*a* ⅛	–	–	*d* 15	*d* 16	*d* 14 to 15	*d* 15	
May -	–	–	–	–	–	*d* 16	*d* 16 to 17	*d* 16	
June -	–	–	–	–	–	*d* 15	*d* 16 to 17	*d* 17	
July -	–	*a* ⅛	–	–	*d* 15	*d* 15	*d* 15 to 17½	*d* 15	
August -	–	–	–	–	–	*d* 14½	*d* 16½ to 15		
September -	–	–	–	–	–	*d* 14½	*d* 14½ to 16		
October -	–	*a* ⅛	–	–	*d* 14	*d* 14½	*d* 15 to 12½	*d* 14 to 15	
November -	–	–	–	–	–	*d* 13	*d* 12½ to 13	*d* 10 to 12½	Bills on London fluctuated very much in price, towards the close of December, at Boston and Philadelphia.
December -	–	–	–	–	–	*d* 7	*d* 13 to 5	*d* 10 to 12½	
1814.									
January -	–	*a* 1	–	–	*d* 8	*d* 5	*d* 5 to 2		
February -	–	–	–	–	–	*d* 8	*d* 6½ to 9	*d* 5	
March -	–	–	–	–	–	*d* 10	*d* 7 to 10	*d* 8	
April -	–	*a* 1½	–	–	*d* 7½	*d* 8	*d* 5 to 8½	*d* 5	
May -	–	–	–	–	–	*d* 10	*d* 8 to 10		
June -	–	–	–	–	–	*d* 12	*d* 9 to 12		
July -	–	–	*d* 5	–	*d* 11	*d* 12½	*d* 9 to 12	*d* 10 to 7½	Specie payments suspended at New York, and south of that place, 1st of September.
August -	–	–	–	–	–	*d* 12	*d* 12 to 13	*d* 11 to 7	
September -	–	–	–	–	–	*d* 12	*d* 14 to 7⅛	*d* 11 to 7	

October	*a* 10 to 11	–	–	–	*d* 5 to 6	*d* 13½	*d* 10 to 2½	*d* 3 to par	Bills on London fluctuated very much, during these three months, at Boston and Philadelphia.
November	–	–	–	–	–	*d* 12½	*d* 2½ to 2½ *a*	par to 2½ *a*	
December	–	–	–	–	–	*d* 16	par to 2½ *a*	2½ to 3 *a*	
1815.									
January	*a* 11	*a* 23	*d* 2	–	par to 1 *a*	*d* 14	1 to 3 *a*	4 to par	
February	–	–	–	–	–	*d* 14	3 to 2 *d*	par	News of peace 13th of this month, when the price of London bills declined.
March	–	–	–	–	–	*d* 8	2 to 2¾ *d*	par to 2 *d*	
April	*a* 12	–	*d* 3	*d* 6	*d* 4	*d* 8	2½ to par	par to 3½ *a*	
May	–	–	–	–	–	*d* 5½	par to 6 *a*	2 to 7½ *a*	
June	–	–	–	–	–	*d* 9	4 to 7 *a*	7 to 8 *a*	
July	*a* 13½ to 15	*a* 10 to 11	*d* 4½	*d* 6	par	*d* 4½	5½ to 6½ *a*	8 to 5 *a*	
August	–	–	–	–	–	*d* 9	6½ to 10 *a*	8 to 16 *a*	
September	–	–	–	–	–	*d* 3	11 to 7½ *a*	11½ to 19 *a*	
October	*a* 14 to 15	*a* 13½ to 15	*d* 5	*d* 7	*a* 11	*d* 2½	16½ to 18 *a*	18 to 20 *a*	
November	–	–	–	–	–	*d* 3½	14 to 9 *a*	18 to 11 *a*	
December	–	–	–	–	–	*d* 2½	10 to 13½ *a*	14 to 16 *a*	
1816.									
January	*a* 20	*a* 8½	*d* 4½	*d* 8	*a* 7 to 7½	*d* 1½	10 to 12½ *a*	14 to 15 *a*	
February	–	–	–	–	–	par	12 to 13 *a*	15 to 16 *a*	
March	–	–	–	–	–	*a* 3	12½ to 16 *a*	16 to 20 *a*	
April	*a* 12	*a* 6 to 6½	*d* 5½	*d* 10	*a* 9 to 9½	*a* 3½	14 to 16 *a*	18 to 20 *a*	
May	–	–	–	–	–	par	16 to 20 *a*	18 to 20 *a*	
June	–	–	–	–	–	*d* 1½	17½ to 20 *a*	20 to 22 *a*	
July	*a* 6	*a* 6	*d* 10⅛ to 10½	*d* 14	*a* 3½	par	18 to 10 *a*	20 to 17 *a*	
August	–	–	–	–	–	*a* ½	10 to 16½ *a*	17 to 14 *a*	
September	–	–	–	–	–	*a* 3	14 to 15 *a*	16 to 18 *a*	
October	*a* 2½ to 3	*a* ½ to 1	*d* 4½ to 5	*d* 7½	*a* 6	*a* 4½	12 to 15 *a*	17 to 15 *a*	
November	–	–	–	–	–	*a* 4½	14 to 16½ *a*	15 to 9 *a*	
December	–	–	–	–	–	*a* 2	5½ to 7 *a*	9 to 10 *a*	

NOTE.—The rate of premium is designated by the letter *a*, and the rate of discount by the letter *d*.

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B.

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